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CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

FRONT PAGE

ARMS CONTROL & DISARMAMENT

8 States Sign Conventional Weapons Document *[Alma-Ata Radio]* 3
Security Council Accord Step to 'Secure Future' *[ROSSIYSKAYA GAZETA 4 Jun]* 3
Official on Consequences of Ukraine Moratorium *[UKRINFORM]* 3
Experts Install Tokamak Reactor in Eastern China *[Radio Rossii]* 3
Krasnoyarsk Reactor Stops Producing Plutonium *[ITAR-TASS]* 4
Atomic Energy Ministers on 'Trouble Spots' *[ROSSIYSKIYE VESTI 5 Jun]* 4
More on Private Satellite Launcher Project *[ROSSIYSKAYA GAZETA 4 Jun]* 4
Correction to Satellite Consumers 'Waiting Line' 5

INTERNATIONAL AFFAIRS

NATO 'Decisively Widening' Responsibilities *[IZVESTIYA 6 Jun]* 6
Russia Approves of Policies *[ITAR-TASS]* 7
Official on Not Excluding FRY From CSCE *[ITAR-TASS]* 7
Shokin Addresses International Labor Conference *[ITAR-TASS]* 8

INTERREGIONAL AFFAIRS

Military

14th Army Withdrawal From Dniester 'Impossible' *[Russian TV]* 9

Commonwealth

Introduction of Estonian Currency Discussed *[Tallinn Radio]* 9
Meeting on New Currency Ends *[BALTFAX]* 9
Agreement Reached on Succession to Archives *[ITAR-TASS]* 10
Inter-State Council for Standards Meets *[Radio Rossii]* 10

Media

ITAR-TASS Carries Press Review for 9 Jun ..... 1[illegible]
Decision To Set Up Inter-State TV Reviewed *[ITAR-TASS]* ..... 1[illegible]

RUSSIA

International Affairs

Foreign Minister Interviewed on Policies *[KOMSOMOLSKAYA PRAVDA 9 Jun]* 12
Paris LE MONDE Interviews Foreign Minister *[8 Jun]* 14
Claims to Ukraine Denied *[INTERFAX]* 16
More on Kozyrev's U.S. Visit, Baker Talks 16
Comments on Yugoslav Sanctions *[ITAR-TASS]* 16
'Satisfied' With Talks *[ITAR-TASS]* 16
Summit Preparations Discussed *[ITAR-TASS]* 17
Charter on Relations Outlined *[IZVESTIYA 9 Jun]* 17
Kozyrev Writes Article on Yugoslav Policy *[IZVESTIYA 9 Jun]* 18
Interest in Serbian Sanctions Questioned *[KRASNAYA ZVEZDA 6 Jun]* 19
Macedonian Recognition Tied to 'U.S. Pressure' *[Moscow International]* 20
Need for Greek-Turkish Rapprochement Stressed *[Moscow International]* 21
Yeltsin Appeal on South Ossetian Conflict *[ITAR-TASS]* 21
14th Army Withdrawal From Moldova 'Impossible' *[INTERFAX]* 22
'Gradual' Withdrawal Confirmed *[INTERFAX]* 22
Ministry Vows To 'Protect Russian Servicemen' *[ITAR-TASS]* 22

Relations, Negotiations With Baltics Viewed *[ROSSIYSKAYA GAZETA 27 May]* 22
Further on Troop Withdrawal Talks With Estonia *[BALTFAX]* 24
Landsbergis Calls Yeltsin Meeting 'Amicable' *[ITAR-TASS]* 24
Foreign Ministry Spokesman Gives Briefing *[ITAR-TASS]* 24
NACC Results 'Highly' Assessed *[ITAR-TASS]* 24
Former USSR States Viewed *[ITAR-TASS]* 25
Former U.S. President Nixon Meets With Yeltsin *[Moscow TV]* 25
Meets With Grachev *[KRASNAYA ZVEZDA 6 Jun]* 25
Hijacker Killed After Demanding Turkish Flight *[ITAR-TASS]* 25
Conditions for Yeltsin's Turkish Visit Noted *[INTERFAX]* 26
Envoy Denies Story on Palestinians' Arrest *[PRAVDA 6 Jun]* 26
Rutskoy Comments on Latin American Relations *[ITAR-TASS]* 27
Rutskoy Continues Talks, Meetings in Venezuela 28
Meets Air Force Leaders, Farmers *[ITAR-TASS]* 28
Calls For Greater Cooperation *[ITAR-TASS]* 28
Concludes Visit *[ITAR-TASS]* 29
Rutskoy Arrives in Argentina for 3-Day Visit *[ITAR-TASS]* 29
U.S. Stance on ASEAN Move Assessed *[KRASNAYA ZVEZDA 3 Jun]* 29
Further on Protest Over PRC Border Incident *[Moscow International]* 30
Japanese Group Uses Radio Moscow Frequencies *[Moscow International]* 30
CSCE Probe on Latvian Human Rights Sought *[BALTFAX]* 30
Deputies Urged To Ratify Treaty with Latvia *[ITAR-TASS]* 31
Latvian Envoy Comments *[BALTFAX]* 31
Finland 'Satisfied' With Troop Statement *[ITAR-TASS]* 31
Finnish Official Says Return of Karelia 'Unwise' *[ITAR-TASS]* 31
Rutskoy Meets Visiting Slovak Delegation *[Bratislava PRAVDA 27 May]* 32
Shumeyko Views Results of Near East Tour *[ROSSIYSKAYA GAZETA 3 Jun]* 32

Federation Affairs

Yeltsin Unable To Attend Armed Forces Meeting *[ITAR-TASS]* 34
To Participate 10 Jun *[Radio Rossii]* 34
ITAR-TASS Kills Item 34
Yeltsin Dismisses Deputy Security Minister *[INTERFAX]* 34
More on Dismissal of State Security Officers *[IZVESTIYA 8 Jun]* 35
Security Council 'Temporary Structure' Set Up *[INTERFAX]* 36
Yeltsin Indicates Government Help for Needy *[Radio Rossii]* 36
Resolution Tightens Nuclear Export Controls *[ROSSIYSKAYA GAZETA 6 Jun]* 37
Grachev on Personnel, Foreign Attachments *[NEZAVISIMAYA GAZETA 9 Jun]* 37
Grachev Views Military Issues, Media Role *[KRASNAYA ZVEZDA 9 Jun]* 40
Expert Explores Appropriate Defense Posture *[ROSSIYSKAYA GAZETA 5 Jun]* 42
Gaydar on Extension of Loans to Enterprises *[INTERFAX]* 44
Gaydar Tries To Allay 'Atmosphere of Fear' *[IZVESTIYA 6 Jun]* 44
Churkin To Head 'European Aspects' of Policy *[INTERFAX]* 49
New Vice Premier Chernomyrdin Profiled *[IZVESTIYA 2 Jun]* 49
Shumeyko Post 'Capitulation' to Industrialists *[NEZAVISIMAYA GAZETA 3 Jun]* 50
Yeltsin To 'Umpire' Two Teams of Government *[Radio Rossii]* 50
Chubays Supports New Government Appointments *[INTERFAX]* 51
Chubays on Need for Privatization Law Amendments *[Russian TV]* 51
Chubays Expands on Privatization 'Journey' *[Russian TV]* 51
Decrees on Staff, Security Council Reviewed *[INTERFAX]* 52
Government, Bank Disagree on 'Tactical' Issues *[INTERFAX]* 53
Central Bank Seeks Stronger Role in Economy *[ITAR-TASS]* 53
Nechayev Views Government-Central Bank Dispute *[INTERFAX]* 53
'Odious,' 'Desirable' Bank Candidates Assessed *[KOMSOMOLSKAYA PRAVDA 4 Jun]* 54
Commission Discusses Wage Payments, Cash Flow *[IZVESTIYA 4 Jun]* 54
IZVESTIYA Shrugs Off Debt Allegations *[IZVESTIYA 3 Jun]* 55

Supreme Soviet

Deputies Meet Russian Ambassadors to CIS *[Radio Rossii]* 56
Filatov Addresses Envoys *[ROSSIYSKAYA GAZETA 8 Jun]* 56
Yeltsin, Khasbulatov Agree To Meet Monthly *[ROSSIYSKAYA GAZETA 6 Jun]* 57

Bill on Council of Ministers Introduced *[INTERFAX]* 57
Peacekeeping Forces, Draft Constitution Viewed *[ITAR-TASS]* 57
Trade With U.S., Milk Supplies Discussed *[Moscow Radio]* 57
Faction Warns Against Georgia Receiving Ships *[INTERFAX]* 58
Factions Warn Yeltsin on Civil War Possibility *[ITAR-TASS]* 58
Defense Officials Discuss Draft Law *[Moscow Radio]* 58
Local Committee Official Favors Self-Government *[Moscow TV]* 60

Regional Affairs
Withdrawal of Troops From Checheniya Complete *[INTERFAX]* 62
Settlements Now Chechen Controlled *[Moscow Radio]* 62
Deportation of Chechens To Be Investigated *[NEZAVISIMAYA GAZETA 5 Jun]* 62
Chechens To Give Ingush Land on 1 Condition *[ROSSIYSKAYA GAZETA 6 Jun]* 62
Yeltsin Continues Regional Tour of Urals *[ITAR-TASS]* 63
'No Retreat' From Reforms Cited *[ITAR-TASS]* 63
Conversion Issues Discussed *[INTERFAX]* 63
Visit Ends *[Russian TV]* 64
Popov Move Brings Muscovites 'Mixed Feelings' *[IZVESTIYA 8 Jun]* 64
Popov's Support for Russia Referendum Noted *[INTERFAX]* 65
Shaymiyev Reviews Results of Overseas Trip *[INTERFAX]* 65
Discusses Western Investments *[POSTFACTUM]* 66
Tartarstan Discusses Debt Repayment Policy *[INTERFAX]* 66
Tatarstan Considers Islamic Bank Entry *[POSTFACTUM]* 66
Far East Construction of Power Stations Eyed *[IZVESTIYA 5 Jun]* 67
Forecast for North Ossetia Situation 'Complex' *[IZVESTIYA 6 Jun]* 67

UKRAINE

International Affairs
President Kravchuk on Relations With Russia *[ITAR-TASS]* 69
Ambassador Comments on Situation in Russia *[Kiev International]* 69
Czechoslovak, Ukrainian Military Groups Meet *[Kiev International]* 69
Joint Spanish-Ukrainian Venture Set Up *[Kiev International]* 69
Journalists' Union Joins International Group *[ITAR-TASS]* 69

National Affairs
Kravchuk Meets Sevastopol Administration Leaders *[Kiev International]* 69
Unions Support Kravchuk in Building Democracy *[Kiev International]* 69
Rukh Launches Campaign To Unseat Government *[Moscow Radio]* 70
Commission Approves Draft Constitution *[Kiev International]* 70
Officical Cited on Ways To Improve Economy *[URYADOVYY KURYER 29 May]* 70
Ministries Draft Plan for Leaving Ruble Area *[IZVESTIYA 3 Jun]* 71
Cabinet of Ministers Debates Chernobyl Plant *[URYADOVYY KURYER 29 May]* 71
Veterans of Nuclear Tests Meet in Kiev *[Moscow Radio]* 72
Defense Enterprise To Produce 'Peaceful Goods' *[ITAR-TASS]* 72
National Guard Begins Service on Contract Basis *[Moscow Radio]* 72
Crimean Official on Economic Independence *[Kiev International]* 72
Conservative Republican Party Created *[Kiev International]* 72

WESTERN REGION

Byelarus
Government To Raise Former Soviet Fleets Issue *[INTERFAX]* 73
Kebich Interested in Nuclear Decontamination *[INTERFAX]* 73
Defense Ministry Collegium Holds First Session *[Moscow Radio]* 73
Brest Free Economic Zone Begins Operation *[Moscow Radio]* 73
Prime Minister Meets With Italian Businessmen *[ITAR-TASS]* 73
New Ambassadors to Germany, Poland Appointed *[INTERFAX]* 73

Moldova
Government Resigns; Four Ministers Remain *[ITAR-TASS]* 74

Grigoriopol Reported Under State of Siege *[Moscow Radio]* 74
Exchanges of Fire Continue in Dniester Region *[ITAR-TASS]* 74
Snegur on Russian Defense Minister's Remarks *[INTERFAX]* 74
Gagauz Leader Seeks Federative Structure *[Russian TV]* 74
Conflict Costs 1 Million Rubles Daily *[Moscow Radio]* 75
Security Ministry Denies Terrorist Involvement *[NEZAVISIMAYA GAZETA 5 Jun]* 75
Foreign Minister Discusses Policy Priorities *[Bucharest Radio]* 75
Commission Formed To Analyze Situation in South *[ITAR-TASS]* 76
Romanian Group Meets Muravschi, Holds Talks *[Bucharest ROMPRES]* 76
Party Leader Druc Becomes Romanian Citizen *[ITAR-TASS]* 76

CENTRAL ASIA

Kazakhstan

President Attends Inauguration of Trading House *[INTERFAX]* 77
Nazarbayev Urged To Act Against Extremists *[INTERFAX]* 77
Nazarbayev Invited To Visit Germany, Egypt *[ITAR-TASS]* 77
Supreme Soviet Examines Economic Reform *[Alma-Ata Radio]* 77
Country's Medicine Supply Shortages Discussed *[Alma-Ata Radio]* 77
Karaganda Oblast Medical Workers End Strike *[Alma-Ata Radio]* 78
Diplomatic Relations Established With Norway *[Alma-Ata Radio]* 78

Kyrgyztan

Prime Minister Cited on Economic Policies *[INTERFAX]* 78
Economic Minister on Positive IMF Appraisal *[Radio Rossii]* 78
Turkey Reported To Supply Soviet-Made Pistols *[NEZAVISIMAYA GAZETA 29 May]* 78
Social Protection Measures for Servicemen Noted *[Moscow Radio]* 78
President Akayev Receives New Swiss Ambassador *[ITAR-TASS]* 78

Tajikistan

Special Police Unit Sent to Kulyab Region *[POSTFACTUM]* 79
21 Dead in Shooting *[INTERFAX]* 79
Region Discussed With Refugees *[POSTFACTUM]* 79
Nabiyev Proposes Increasing Presidential Powers *[INTERFAX]* 79
Meets With Local Officials *[INTERFAX]* 80
Law on Militia, Weapons Comes Into Force *[ITAR-TASS]* 80
Kurgan-Tyube Democratic Party Elects Leader *[Dushanbe Radio]* 80
Gorno-Badakhshanskaya Oblast Changes Name *[Radio Rossii]* 81
Diplomatic Relations Established With Pakistan *[Dushanbe Radio]* 81

Turkmenistan

Russia's Grachev on Military Agreements *[Moscow TV]* 81
Media Briefed *[Radio Rossii]* 81
Niyazov To Consult on Karakum Troops Status *[PRAVDA 2 Jun]* 82

Uzbekistan

EBRD Informs President of Country's Membership *[ITAR-TASS]* 82
Fergana Democrats Hold Meeting, Note Aims *[NEZAVISIMAYA GAZETA 6 Jun]* 82
Refusal To Register Tajik Association Stressed *[INTERFAX]* 82
Farmers Exempt From VAT Beginning 1 Jun *[Moscow Radio]* 83
Statistics on Two Oil Centers Revealed *[Tashkent Radio]* 83

CAUCASUS

Armenia

Further on Ter-Petrosyan, Shevardnadze Meeting *[Moscow TV]* 84
Joint Statement Issued *[Moscow Radio]* 84
Ter-Petrosyan Interviewed on Karabakh Issue *[ITAR-TASS]* 84
Azerbaijani Forces Along Nagorno-Karabakh Border *[Radio Rossii]* 84
Fighting Reported *[ITAR-TASS]* 84
Chemical Weapons Use Noted *[INTERFAX]* 85

Refugees Head for 'Liberated Settlements' *[Yerevan Radio]* 85
Security Zones Proposed for Nakhichevan Area *[ITAR-TASS]* 85
Essential Goods, Services Prices Rise 1 Jun *[Russian TV]* 86
Protests Reported *[IZVESTIYA 4 Jun]* 86
Government Prepares Draft Law on Amnesty *[INTERFAX]* 86
New Coins Minted in Germany *[ITAR-TASS]* 87

Azerbaijan 87
Advisor Outlines Popular Front's Policies *[INTERFAX]* 87
Vows To Quit CIS *[INTERFAX]* 87
Further Reportage on Presidential Elections *[INTERFAX]* 88
Elchibey Interviewed *[Ankara TV]* 88
Commission Reports Results *[ITAR-TASS]* 88
Candidate Claims Rigging *[INTERFAX]* 89
Letter Sent to UN on Nagorno-Karabakh, Armenia *[Baku Radio]* 89
Russian 4th Army Officers Transfer Service *[IZVESTIYA 8 Jun]* 89
Decree Reorganizes Militia Into Police Group *[ITAR-TASS]* 89
Azerbaijan Joins Islamic Development Bank *[ITAR-TASS]* 89
Defense Ministry Center Reports Fighting *[Baku Radio]* 90
Further on Shelling *[Radio Rossii]* 90
Aliyev Notes Turkey's 'Right To Intervene' *[Istanbul TURKIYE 4 Jun]* 90
Arms Threaten To Flood Nakhichevan From Turkey *[IZVESTIYA 5 Jun]* 90

Georgia 91
Further Reportage on Situation in Tskhinvali 91
Three Guardsmen Killed *[Tbilisi Radio]* 92
Interior Ministry Report *[INTERFAX]* 92
Guerrilla Fighting Viewed *[Moscow TV]* 92
Ossetian Delegations Meet 8 Jun *[Moscow Radio]* 92
Troops, Equipment Continue To Arrive *[Moscow TV]* 92
'Unsanctioned Operations' Reported *[Moscow TV]* 93
Government Said To Lack Control *[ITAR-TASS]* 93
'Intensive Shelling' 8-9 Jun *[Moscow TV]* 93
Shevardnadze 'Lost Control' of Situation *[INTERFAX]* 93
Military Chiefs Criticized *[Moscow TV]* 94
Military Dialogue With Russia Continues at Poti *[INTERFAX]* 94
Government Discusses Relations With Armenia *[INTERFAX]* 94
NDP Wants Government Officials To Resign *[POSTFACTUM]* 95
Abkhaz Oppositionists Hold News Conference *[ROSSIYSKAYA GAZETA 8 Jun]* 95

BALTIC STATES

Estonia 96
Consular Convention Accord Signed With Russia *[ITAR-TASS]* 96
Possible Compromise on Troops *[Tallinn Radio]* 96
Russia Concerned Over Valga 'Seizure' *[ITAR-TASS]* 96
Details on Suspension of Talks *[IZVESTIYA 5 Jun]* 97
Defense Council Session Discusses Valga Events *[Moscow Radio]* 97
Supreme Council Issues Statement *[Tallinn Radio]* 97
Foreign Minister Leaves Finland After Talks *[ITAR-TASS]* 98
Central Bank Offered Agreement on Kroon *[BALTFAX]* 98
Monetary Reform Committee Issues Statement *[Tallinn TV]* 98

Latvia 98
Mironov Protests Military Site Takeover *[Riga Radio]* 98
Protest Over Russian Army Presence Reported *[POSTFACTUM]* 99
Gorbunovs, Mironov Set Up Commission *[Riga International]* 99
Protocol Signed on Withdrawal *[Riga Radio]* 100
Government 'Not Satisfied' *[Moscow Radio]* 100
Government Seeks Yakutia Support *[POSTFACTUM]* 100
New Recruits To Dock in Liepaja *[Riga International]* 101
New Russian Recruits Arrive 4 Jun *[BALTFAX]* 101
Government, Russia Agree To Control Overflights *[BALTFAX]* 101

Lithuania

Landsbergis Previews Upcoming Yeltsin Meeting *[ITAR-TASS]* 101
Troop Withdrawal To Be Discussed *[BALTFAX]* 101
Landsbergis Expresses 'Satisfaction' *[BALTFAX]* 101
Landsbergis Holds News Conference *[Vilnius Radio]* 101
Yeltsin: Army To Follow Local Laws *[Vilnius International]* 102
Details of Troop Withdrawal Referendum *[IZVESTIYA 8 Jun]* 102
Dniester Transmitter Seized by 'Separatists' *[Vilnius International]* 102
Border Guards Attempt To Control Polish Border *[POSTFACTUM]* 103
Home Guard Assumes Border Control *[BALTFAX]* 103
'Unofficial' PLO Delegation Visits Vilnius *[Vilnius Radio]* 103
Supreme Council Holds Extraordinary Session 103
Landsbergis Urges Reaching Accord *[Vilnius Radio]* 103
Vagnorius Submits Resignation *[Vilnius Radio]* 103
MPs Agree on Non-Alignment With East *[INTERFAX]* 104
'Political Row' Reported at Session *[ITAR-TASS]* 105
Election Schedule Set Up *[BALTFAX]* 105
Landsbergis Signs Decree on Housing for Officers *[BALTFAX]* 105
Electoral Commission Issues 1 Jun Statement *[Vilnius Radio]* 105
106

Moldovan Government Resigns

Moldovan President Mircea Snegur informed the republic's Supreme Soviet that the government decided to resign, ITAR-TASS reports. Four members of the cabinet—including the ministers of defense, internal affairs, national security, and culture—did not resign. The report notes that the first three decided not to resign because of the "the tense situation persisting in conflict areas." Several political parties had asked for the cabinet's resignation because of "its inability to implement the economic reform and to resolve the Dniester conflict by peaceful means."

Shevardnadze Loses Control of South Ossetia

INTERFAX reports that Georgian State Council Chairman Eduard Shevardnadze, in a telephone conversation with Akhsarbek Galazov, North Ossetian Supreme Soviet chairman, said that "he lost control of the situation in South Ossetia," where, according to Moscow TV, the Ministry of Internal Affairs reports that the "Georgian National Guard carried out intensive shelling of Tskhinvali" from 8 to 9 June.

Moscow Radio reports that a joint session of the North and South Ossetian Supreme Soviet Presidiums was held on 8 June, during which Galazov noted that the "armed conflict ... has become even more exacerbated." A resolution from the meeting noted that "representatives of a four-party group of observers should be determined within two days with the aim of establishing effective control in the region."

Yeltsin Dismisses Deputy Security Minister

President Boris Yeltsin "dismissed" First Deputy Security Minister of Russia, Major General Anatoliy Oleynikov, INTERFAX reports. The Security Ministry "refused to comment" on the "unexpected" move, but "reliable sources" said the removal "had no relation to" the work of Minister Viktor Barannikov's commission set up to investigate "violations and abuse of power" by high-ranking officials.

Yeltsin Fails To Attend Armed Forces Conference

ITAR-TASS reports Russian President Boris Yeltsin "was unable to take part in the conference of the top leadership of the Russian armed forces" which is being held in Moscow, but will participate on 10 June, according to Radio Rossii. The meeting "aims to sum up the results" of the winter period of combat training "which are not particularly comforting" because of "chronic understrength" of units, problems of a "material nature," and the "difficult political situation" in numerous military districts.

ITAR-TASS reports that by presidential decision, Colonel General Viktor Dubynin, commander of the Northern Group of Forces, was appointed the "authorized representative" of Russia for the withdrawal of troops from Poland. Colonel General Valeriy Mironov, commander of the Northwestern Group of Forces, was appointed "authorized representative" of Russia for the withdrawal of forces from the Baltic states.

Russian Foreign Minister Visits U.S.

ITAR-TASS reports that visiting Russian Foreign Minister Andrey Kozyrev, during talks with U.S. Secretary of State James Baker, said that "a unique opportunity to prepare an agreement on disarmament, especiallly on strategic weapons, is within reach." Kozyrev stated: "I am satisfied with the course of talks with U.S. Secretary of State Baker, talks which are taking place in a spirit of new partnership". IZVESTIYA reports that Kozyrev and Baker will finalize a draft charter that "formulates the principles by which the United States and Russia will theoretically have to be guided both in relations with each other and with regard to what concerns these relations even indirectly and what influences them." Russian President Boris Yeltsin and U.S. President George Bush are to sign the charter during Yeltsin's upcoming U.S. visit.

While speaking on the armed conflict in Yugoslavia, ITAR-TASS reports that, "A. Kozyrev said that by supporting sanctions against Serbia, Russia is taking into account her political ties in the region and applying the method of 'political persuasion and friendly advice to convince Belgrade that it must heed the voice of the world community.'"

8 States Sign Conventional Weapons Document

LD0806121292 Alma-Ata Kazakh Radio Network in Russian 0400 GMT 8 Jun 92

[Text] The final document of member states of the Treaty on Conventional Weapons and Armed Forces in Europe has been adopted at an extraordinary conference in Oslo. This document was signed on behalf of their governments by eight republics of the former USSR—Azerbaijan, Armenia, Byelarus, Georgia, Kazakhstan, Moldova, the Russian Federation, and Ukraine. They have taken upon themselves the pledges adopted previously by the Soviet Union under the treaty. Instead of the 22 original members, the treaty now covers 29 states.

Security Council Accord Step to 'Secure Future'

PM0806144792 Moscow ROSSIYSKAYA GAZETA in Russian 4 Jun 92 First Edition p 7

["Commentary" by observer Sergey Demidov: "Insuring Against a Weapons Drain"]

[Text] The numerous warnings, sometimes panic warnings, in recent months by experts and the media of a possible "drain" of technologies for the creation of various types of mass destruction weapons from countries possessing them to states dying to acquire them, for example, Iraq or Libya, are a constant preoccupation for politicians and for the political scientists who evaluate the future of the world. So the question of how to insure against the spread of nuclear or chemical and biological bombs is no idle one.

It was discussed, in fact, at a meeting that ended at the end of last week at the U.S. State Department by representatives of the five permanent members of the UN Security Council—Britain, China, Russia, the United States, and France. One unnamed U.S. diplomat reported that they had reached a preliminary accord on blocking exports of equipment, services, and materials that could be used to produce not only nuclear but also chemical and biological armaments.

It is hard to overestimate its significance, since hitherto none of the members of the "nuclear club" had promised not to sell and not to transfer for any reason to a third party "goods" that come under the last two categories of weapons. According to an official spokesman for the U.S. foreign policy department, this agreement is the clearest public assurance by all five nuclear nations to date that they are fully determined to get down to tackling the problem of the probable spread of mass destruction weapons worldwide.

This is evidenced by the 10 provisions included in the document prepared at the Washington meeting, which make it incumbent on the nuclear "five" not to assist "any nonnuclear state to develop, acquire, produce, test, stockpile, or site nuclear armaments." There is a separate point on their commitments regarding chemical and biological weapons.

The meeting participants did not neglect conventional weapons. But they did not suceed in reaching agreement on the exchange of data on the delivery of tanks, military aircraft, guns, and so on to various countries and on notifying one another (if need be) of planned deals of that kind. They merely concluded that there is a need to hold separate consultations in order to discuss "worrying trends" toward an increased flow of weapons to the Near East. Which is significant in itself: Indeed, there are a number of countries in this turbulent region which are governed by regimes with thwarted leadership ambitions.

So if the Washington accords are fleshed out by political actions, then, presumably, the world community will have taken at least one step toward a secure future.

Official on Consequences of Ukraine Moratorium

LD0406034192 Kiev UKRINFORM in Ukrainian 1405 GMT 2 Jun 92

[By UKRINFORM correspondent Viktor Mazanyy]

[Text] Rivne, 2 June—Each day of the moratorium on launching new capacities of atomic power stations, which is in force in Ukraine, inflicts considerable losses, believes Volodymyr Korovkin, director of the Rivne AES [nuclear electric power station]. We feel the paradoxical nature of the situation. We are working on the old blocks while the launch of the more reliable and more accurate ones has been frozen, he said. We are ready to introduce new security concepts based on accumulated experience and to consider past mistakes. But the uncertainty predominant in the collective affects all actions of the people involved at the fourth block, "Milionnik." We face a dilemma: whether to carry out assembly operations at full volume or to conserve equipment to somehow save it. We are short of cable and equipment, the supplies of which stopped after the introduction of the moratorium. Is it worth while looking for all this and buying it or not? It will be one thing if we are launching the block, but what if not? Other questions are also vague. This situation affects the moral and psychological condition of the personnel and the quality of the work. Nobody knows if they will have to operate this block or not. Meanwhile, according to the estimates of the experts, our fourth block corresponds to the requirements of the IAEA and is at a sufficiently good level of readiness. But in order to launch it, 150 million rubles will be needed. It is obvious that it would be the most profitable if they were invested now.

Experts Install Tokamak Reactor in Eastern China

LD0406134892 Moscow Radio Rossii Network in Russian 0900 GMT 3 Jun 92

[Text] Russian and Chinese experts in the field of nuclear physics have begun installing a Tokamak thermonuclear reactor in the eastern Chinese province of Anhui. Chinese physicists are hoping to considerably advance their nuclear fusion research with the help of the Tokamak. The Russian Tokamak remains unsurpassed

in the world, but we are still not managing to reproduce many of its units, stated (Ban Qun Za), deputy director of the Anhui Institute of Plasma Physics, in an interview with the Chinese newspaper CHINA DAILY.

Krasnoyarsk Reactor Stops Producing Plutonium

LD0506112192 Moscow ITAR-TASS in English 0729 GMT 5 Jun 92

[Text] Krasnoyarsk June 5 TASS—The oldest Soviet nuclear reactor, which has been producing plutonium for military purposes since 1958, will be shut down on July 1 in the Krasnoyarsk-26 "Nuclear City", according to a decision of the Russian Atomic Energy Ministry.

However, it will take half a year to completely mothball the Chernobyl-type reactor situated 250 metres underground. Scientists will study for five years its structures which have been subject to neutron radiation for over 30 years.

The enterprise in Krasnoyarsk-26 will switch to producing polycristal silicon.

Atomic Energy Ministers on 'Trouble Spots'

PM0506135992 Moscow ROSSIYSKIYE VESTI in Russian 5 Jun 92 p 2

[Article by Sergey Ovsiyenko: "'Cold War' Has Ended but There Are More and More 'Trouble Spots'"]

[Text] It is the paradox of our times. The collapse of the USSR and the formation of independent states on its territory, although they have shaken stability in Europe have nonetheless put an end to the "cold war" which lasted nearly 50 years. Having avoided a third world war during that time, the world has been plunged into a raging sea of local conflicts.

In this complex geopolitical situation Russia has embarked on the building of its own armed forces. If there is no need to convince anyone of the need to do so, the future military doctrine is generating a large number of disputes. Evidence of this is the international conference on "The Democratization of Society and Military Security" held at the General Staff military academy, which is about to become a Russian academy.

The end of the "cold war" has substantially reduced the threat of a nuclear missile clash. In addition, Army General P. Grachev stressed, Russia does not regard a single state or coalition of states as its enemy. War is possible, but it is important for Russia to know where its sources are. The defense minister diplomatically indicated regional, religious, and ethnic contradictions...Russia will view the buildup of armed forces near its borders and the introduction of troops onto the territory of adjacent countries as a threat.

P. Grachev confirmed that the Russian Army is free from political influence and a guarantee of that is the effective control exercised by the President, the Supreme Soviet, and the government.

Touching on the place of nuclear weapons in the new military doctrine, the defense minister stated that Russia advocates the complete prevention of nuclear tests and of the improvement of nuclear weapons of all types.

But V. Mikhaylov, leader of the Ministry of Atomic Energy, has a different opinion on this score: The complete cessation of nuclear tests is possible when Russia declares itself a nonnuclear state and abolishes nuclear weapons. From the viewpoint of the nuclear specialists, it would be sensible to agree with the United States on a strict limitation of the number of explosions, for instance two to three charges a year and no more.

The scientific conference was in my view also useful because its participants did not restrict themselves to the framework of the problems of Russia's military security. V. Chernega, deputy chief of the Russian Foreign Ministry's first administration, expressed the view that Russia's foreign policy needs powerful armed forces. Only in that case will it achieve its aim—and be integrated into the world community and take its place there. The defense of national interests also presupposes Russia's entry into the system of collective security and alliance with the United States, not at the price of concessions, but as equals.

According to specialists' assessments, by the early 21st century 24 countries will have a nuclear missile potential. And that means that the threat of nuclear war will increase immeasurably compared with the nineties. That is why strict control by the world community over the proliferation of nuclear weapons is already essential right now.

An interesting thought about the interconnection between Russian foreign and domestic security was voiced by Candidate of Philosophical Sciences V. Vorozhtsov (Russian Federation Ministry of Internal Affairs). The growth of crime is exerting substantial influence on the democratization of society, the security of economic reforms, and Russia's state integrity.

Touching on relations within the framework of the CIS, S. Blagovolin, president of the institute of strategic studies and national security, noted that the situation on Russia's borders has become complicated: In the south there is a lack of stability and since the collapse of the USSR new sources of contradictions have arisen in the West. Russia's stance in this complex situation should be as follows: As much tolerance as possible without waiving national interests.

More on Private Satellite Launcher Project

PM0406120192 Moscow ROSSIYSKAYA GAZETA in Russian 4 Jun 92 First Edition p 3

[Dmitriy Slobodyanyuk report under the "Conversion" rubric: "SS-20's 'Refitted' for Outer Space"]

[Text] The last restrictions on private entrepreneurial activity in the sphere of high technology production

processes were lifted with the beginning of economic reform. By now it has become clear that the state conversion program, if it has not failed altogether, has been delayed for many years to come. But the initial results of private initiatives are finally appearing against the background of this muted failure. The implementation of simple decisions is beginning to bear solid fruit. It turns out that big money can be earned for the fatherland's benefit from written-off military "scrap metal." The I.V.K. Joint-Stock Company and the "Kompleks" Science and Technology Center held a promotion for "Start," the first Russian multipurpose mobile space rocket complex, at the International Trade Center on Krasnaya Presnya.

The most intriguing detail in this project is that the new space rocket launcher, designed for lifting small satellites into near-earth orbit, is designed on the basis of SS-20 and SS-25 missiles, which once instilled terror into the "fiercest" of Western "hawks." Thanks to this, the complex was developed in record time (less than nine months) and required minimal investments. The "Start" project is our country's first aerospace initiative on which not a single ruble has been spent from the budget.

According to Sergey Zinchenko, vice president of the I.V.K. Joint-Stock Company, the "Start-1" rocket is designed for commercial launches for civilian purposes. Not for any money will the so-called "black boxes" be lifted into orbit. Although, naturally, the Russian Federation Ministry of Defense can buy "launches" to meet its own requirements, but on equal terms with all other customers. Large-scale reductions of the armed forces and the unsuccessfully launched conversion program have hit defense enterprises, and the economy as a whole, too heavily. The vice president stressed that the implementation of "Start" has already preserved thousands of jobs and saved unique scientific collectives from oblivion. Therefore there is nothing strange in the fact the president's economic advisers have approved the program as a whole, and Vice Premier Ye. Gaydar has blessed the initiative with his signature. S. Zinchenko promised that the Army would not be left without employment either.

Market analysis carried out jointly with U.S. experts has shown that by the end of the century the potential market will comprise approximately 300 launches. And although "Start" is a "newcomer" on the international market, in the opinion of Yu. Solomonov, director of the "Kompleks" Science and Technology Center, the new rocket is more than competitive, even in comparison with such mighty projects as "Arianne," "Delta," and "Iridium." Especially thanks to the incredibly low cost and the unique technical solutions utilized in the SS-20 and SS-25 rockets. The "Start" complex is absolutely autonomous; in other words a launch can be carried out not only from the space vehicle launch site, but even from an unprepared launch pad. In addition to everything else, the solid fuel used in the motors of rockets of this class contain a low level of compounds that are harmful to the environment, which guarantees sufficient ecological safety for the launches.

I.V.K. specialists claim that the use of such rockets for civilian launches is especially discussed in the Soviet-U.S. Treaty on Strategic Offensive Weapons, and the "Start" complex does not come within any of the bans or limitations stipulated in the treaty. The rocket is totally devoid of a "military filling" and meets all the necessary criteria.

Correction to Satellite Consumers 'Waiting Line'

WA0806151392

The following correction pertains to the item headlined "'Waiting Line' for Satellite Consumers Formed" published in the 1 June Central Eurasia DAILY REPORT on page 2:

page two, column two, paragraph six, first sentence, make read:...million for a launch of a rocket...(changing "piece" to "launch")

NATO 'Decisively Widening' Responsibilities

PM0506180092 Moscow IZVESTIYA in Russian 6 Jun 92 Morning Edition pp 1, 5

[Andrey Ostalskiy report: "NATO Prepares To Impose Peace by Force"]

[Text] Oslo—Only recently, politicians and journalists refused to believe that it was possible, but, in Oslo on 4 June, it happened. At the NATO Council session a decision was adopted allowing the military resources of the North Atlantic alliance to be placed at the disposal of the CSCE for peacekeeping operations.

This decision is sensational for two reasons. First, it marks a radical change in the main strategic principle professed by NATO throughout the 43 years of its existence; namely, the defense of only the members' own territory. Now, the "NATO sphere of responsibility" has widened considerably. This could, theoretically, mean the appearance, in the future, of NATO soldiers somewhere in Nagorno-Karabakh or the Dniester region.

Second, the decision made in Oslo could change fundamentally not only NATO's role, but the entire system of approaching international conflicts. The CSCE could now acquire "military muscle" with which it would be possible to stop interethnic bloodshed at an early stage.

The speakers at the NATO Council session on 4 June most often used two examples—Nagorno-Karabakh and Yugoslavia.

Norwegian Foreign Minister Thorvald Stoltenberg called on NATO to "make it abundantly clear to those responsible for the violence in former Yugoslavia and in Nagorno-Karabakh that the continuation of the violence is unacceptable." "If we cannot deal with today's crisis, we will weaken our own capacity to oppose tomorrow's conflicts," he stressed.

The head of the American delegation, Deputy Secretary of State Lawrence Eagleburger, went even further, calling on NATO to "take on a new role" and "not to confuse the stability of the alliance with a lack of flexibility." Once again he spoke about "former Yugoslavia," stating that NATO should act to "alleviate sufferings" there and also help to implement UN Security Council Resolution 757, which provides for the application of sanctions. "NATO also should play its part in efforts to establish peace in Nagorno-Karabakh," Eagleburger stressed.

"We still are concerned deeply about the violence and deaths in Nagorno-Karabakh and adjacent regions, including Nakhichevan," the Council's statement, adopted by consensus, says. The Council then states officially that it is prepared to "provide the necessary support for efforts to send civilian observers to that region."

The statement indirectly criticizes Armenia. At least, that is how journalists have interpreted the NATO Council's call for "an effective cease-fire and withdrawal (of troops) from occupied regions." "Any actions against territorial integrity or the pursuit of political goals by force are unacceptable and are contrary to the principles of the Helsinki Final Act, the Paris Charter, and other CSCE documents," the statement says.

A separate document is devoted to the Yugoslavia crisis, where the main target of criticism is the Yugoslav Army. There is condemnation—absolutely unequivocal—for the Serbs' actions in Bosnia-Hercegovina and for the attempts to resettle people forcibly on ethnic grounds. "A patent, gross, and continuing violation of CSCE commitments on the part of the Belgrade authorities and the Yugoslav People's Army has now been firmly established," the official text says. "We declare resolutely that unilateral changes to borders, territory, or the nature of settlement, achieved by means of force, violence, or the tactics of faits accomplis, are unacceptable," the NATO members state.

In short, there is a reason for why these two conflicts were at the center of the North Atlantic Council's attention. It is situations like these that NATO now regards as the main source of threat to its security, and correspondingly it now sees its main task as rebuffing that threat.

True, it is not yet a question of the direct use of military force, even under the CSCE flag. "We are not yet prepared for large-scale operations, for imposing peace, but the first step in the direction of decisively widening the zone of NATO's responsibility was taken today," one West European diplomat told your correspondent.

The final communique of the NATO Council session also devotes considerable attention to other problems that exist on the territory of the former USSR.

While expressing "understanding of the practical difficulties" associated, for Russia, with the withdrawal of its troops from the Baltic states, NATO nonetheless came out in support of the position of Estonia, Latvia, and Lithuania. "One of the fundamental principles of international law is that the presence of foreign troops on the territory of a sovereign state requires the clearly expressed consent of that state," the document says.

"I am very satisfied," NATO Secretary General Manfred Woerner told journalists. However, the North Atlantic strategists' triumph obviously was overshadowed by the profound crisis that has broken out in the European Community because of Denmark's unexpected rejection of the Maastricht Treaty. Himself clearly distressed by the results of the referendum in his country, Danish Foreign Minister Uffe Ellemann-Jensen told journalists here on 4 June that Copenhagen will not insist on any changes to the text of the Maastricht Treaty, but at the same time he expressed the hope that the integration process in Europe will continue, and even that a place will after all be found for Denmark in that process.

"To be and not to be—that is the answer," the Danish minister said, paraphrasing the prince of Denmark.

British Foreign Secretary Douglas Hurd also is more or less optimistic. In his opinion "Europe always has moved forward in fits and starts, and this is just another hiccup."

Apparently West European leaders do not even want to admit to themselves that the EC is facing a very serious crisis. An emergency session of the Community's Council of Foreign Ministers was convened here in Oslo to discuss it. However, diplomats say that it cannot be ruled out that even that level of talks will prove insufficient for making decisions, and that a summit meeting will have to be called.

For the moment, the EC foreign ministers have decided to continue to act as if nothing has happened. The text of the Maastricht Treaty, with no amendments, will be submitted for ratification in all the other 11 EC states. Denmark will be able to accede to the treaty later if it changes its mind.

Russia Approves of Policies

LD0606152192 Moscow ITAR-TASS World Service in Russian 1801 GMT 5 Jun 92

[By ITAR-TASS correspondent Valeriy Loskutov]

[Text] Oslo, 5 Jun—The working meeting of the North Atlantic Cooperation Council was addressed today by Boris Kolokolov, head of the Russian delegation and deputy foreign minister of the Russian Federation.

Russia approves of both the conceptual and the practical aspects of this new forum's work, he said. The former includes firm support for the basic provisions of the nuclear non-proliferation treaty; efforts aimed at putting the CFE treaty into effect; and the principled line over the issue of the transfer of tactical nuclear weapons to Russia. On the practical plane, the task is to carry out fully the plan to develop dialogue, partnership, and cooperation which was adopted in March of this year.

Russia, he added, attaches greatest importance to such important areas as the conceptual aspects of strengthening security, confidence-building, and disarmament measures; military doctrines; and conversion. The elaboration of joint approaches to these major issues is a guarantee of future real cooperation by states under the new conditions in Europe. Looking ahead, this will mean a reliable foundation from which to reach the relations that exist among allies.

With the participation of NATO and other European groups and forums, we are talking about forming a system for ensuring reliable security in the Euro-Atlantic region which regulates not only military-political matters but also economic, social, ecological, and other aspects.

In the minister's opinion this can be achieved by letting military doctrines evolve further in the direction of their adaptation to the new realities in Europe, by restructuring armed forces on the basis of the principles of defense sufficiency, by drawing up a new generation of confidence-building measures and extending the zone of their application on the territory of all the CSCE member-states, by switching defense enterprises to peaceful production, and by stepping up efforts to establish cooperation in the field of conflict prevention.

In this context, Russia approves of the NATO countries' readiness to make their potential available for the CSCE's peacemaking functions. Naturally, the head of the Russian delegation stressed, we are not talking about sending NATO troops to one "hot spot" or another. In our view, armed forces under the auspices of the CSCE could be put together as necessary with contributions both from individual CSCE member-countries and from NATO. The latter's contribution could take the form of providing the CSCE with some of its military infrastructure, supply vehicles, logistics support, and communications. In our opinion this new role for NATO could open a new page in the alliance's history, but in a different dimension, Kolokolov said.

Official on Not Excluding FRY From CSCE

LD0806115692 Moscow ITAR-TASS World Service in Russian 0859 GMT 8 Jun 92

[By ITAR-TASS correspondent Aleksandr Surikov]

[Text] Helsinki, 8 Jun—The present evolution of the situation in Bosnia-Hercegovina convinces us that it would not be right to place all the responsibility for the tragedy continuing there solely on the leadership of the Federal Republic of Yugoslavia [FRY]. The UN Security Council's report which, in our opinion, gives an impartial analysis of the development of the events, proves that the realities existing now in Bosnia-Hercegovina are of a complex and multifaceted nature. Under these conditions we still think that it would not be expedient to raise the issue of suspending the powers of the FRY delegation to the CSCE and, even more, to exclude Yugoslavia from the European process. Russia has come with this position to the meeting of the CSCE committee of senior officials that opened in Helsinki today and which has resumed examining the crisis in the Balkans.

Speaking at the meeting, Yevgeniy Gusarov, head of the Russian delegation, stressed that the expulsion of Yugoslavia would create a dangerous precedent of depriving a CSCE member of access to the work of the conference and depriving the other members of an important channel for dialogue with the latter, and for exercising influence on it at a time when this is especially necessary. I would like to remind you that the Security Council has been exercising the most balanced and considered approach to the question of the expulsion of Yugoslavia. Is it really worth insisting on adopting decisions which could prove to be unacceptable for the international community as a whole?

The Russian chairman continued: One must also take into account the fact that Belgrade's latest initiatives, somewhat belated perhaps and not always consistent,

show the intention of the FRY leadership to heed the criticism expressed in its direction and to cooperate with the CSCE.

We believe, Gusarov said, that the efforts to unblock the situation in Bosnia-Hercegovina could be made in the framework of a specially created committee for settlement in Yugoslavia. We think that the United States, the European Community, and Russia could be members of such a committee. Part of the committee's task would be to monitor the implementation of all previous decisions made by the CSCE on Yugoslavia and to submit appropriate considerations to the committee of senior officials on 29 June. The committee could act in close contact with the United Nations. Of course, the committee's work would be based on an objective assessment of the measure of responsibility of all the sides involved in the conflict in Bosnia-Hercegovian and urging them to take constructive steps to overcome the crisis.

Today's meeting of the committee of senior officials was preceded by a serious elaboration of the participants' positions during unofficial contacts and the search for a mutually acceptable compromise, bearing in mind their different approaches to the problem. If, at the previous meeting, the Russian position, which blocked the idea of exluding Yugoslavia from the CSCE, was a suprise to many, now the element of suprise has been reduced to a minimum. The search for a consensus is continuing at the meeting.

A dramatic discussion is also expected on the second issue on the agenda—the situation in Nagorno-Karabakh and the surrounding area. The meeting in Rome which examined the situation in this hotspot lead to an impasse. The issue has been returned to the committee of senior officials.

Shokin Addresses International Labor Conference

LD0506210792 Moscow ITAR-TASS in English 1649 GMT 5 Jun 92

[By ITAR-TASS correspondent Boris Shabayev]

[Text] Geneva June 5 TASS—A period of endless expectations and fruitless search for "the third way" has finally completed in Russia, Russian Government Vice-Premier and Minister of Labor and Employment Aleksandr Shokhin told the current 79th general conference of the International Labor Organization (ILO) here today.

Reforms have become a reality in modern Russia, he noted.

Shokhin gave a realistic estimation of first positive results of the reforms and their inevitable negative aspects connected with both the heritage Russia has and recent mistakes and defects.

The social issue is now acute. The government has to solve it with due account of the double-pronged task: Firstly, fulfill the final goal of the economic reform on the transition to valuable market in the maximum short period of time, secondly, minimize social difficulties of the transitional period.

The governmental policy in this respect is to ensure purpose-oriented support of the most vulnerable layers of the population, said Shokhin. The policy includes the reform of social security system and transition to health care insurance. One-time increases of fixed revenues, minimum amounts of pension and wages and salaries are bound to compensate in maximum the inevitable lowering of the living standards.

The major aim of the Russian employment policy is to contribute to full, productive and freely chosen employment through forming a flexible labor market, raising labor activities' motives and expanding favourable employment possibilities for everyone wishing to work.

Means from the employment fund will be used for these purposes, alongside payment of dole.

As for the labor relations sphere, the government plans to pass over the major part of powers on their settlement to direct participants in the labor market—working people and employers.

The government will contribute to the development of a dialogue with them and formation of a social partnership system.

The Russian vice-premier stressed the Russian intention to actively cooperate with the international labor organization and use the ILO experience. Asked by ITAR-TASS in which areas this cooperation is of most interest to Russia, Shokhin pointed out the examination of draft legislative acts regulating labor relations.

Military

14th Army Withdrawal From Dniester 'Impossible'

LD0806201992 Moscow Russian Television Network in Russian 1900 GMT 8 Jun 92

[from the "Vesti" newscast]

[Text] General Stolyarov, aide to the commander in chief of the CIS Joint Armed Forces, has stated that it is impossible at present to withdraw the 14th Army from the Dniester region. In the opinion of the general, who recently visited the area of combat operations, the Dniester Republic would try in that case to transfer the troops to its own jurisdiction.

Commonwealth

Introduction of Estonian Currency Discussed

LD0806223192 Tallinn Radio Tallinn Network in Estonian 1700 6 Jun 92

[Excerpts] We begin our bulletin with what is most important in Estonia. A conference took place yesterday and today at Lohusalu [near Tallinn] of representatives of Estonian, Latvian, Lithuanian, Ukrainian, Moldovan, Byelarusian, Kyrgyz, Kazakh, and Georgian central banks and banking circles, and ministries of trade, to discuss the forthcoming introduction of the [Estonian] kroon.

Representatives of the trade ministries of the Russian Federation, Moldova, Georgia, Kyrgyzstan, Kazakhstan, Latvia, Lithuania, and Estonia signed a joint communique which sets down the principles for further cooperation in trade. They noted that only by proceeding from the domestic legislation of each state is it possible to organize mutual trade. They considered it necessary to reduce the states' regulating role in mutual trade, to encourage the expansion of direct links between all the economic subjects on all sides, to gradually reduce administrative and economic-political restrictions in mutual trade, and to refrain from steps resulting in any mutual loss.

Estonian Bank President Siim Kallas called the [word indistinct] meeting very difficult and tense. We hoped and wanted many important banking documents to be signed, Siim Kallas said, but that did not happen because there are still questions requiring further discussion and decision-making at government and central bank levels.

Of the ruble-zone states, only Uzbekistan, Tajikistan, and Azerbaijan did not send representatives to Lohusalu. But, as Vyacheslav Kovalev, deputy chairman of the Russian Central Bank, told a news conference, it is known from previous banking conferences held in Bishkek and Tashkent that these three ruble-zone states will join the proposals of other states in respect of the use of the kroon.

During the meeting, the leadership of the Estonian Bank gave the guest delegations an account of the key positions of the forthcoming monetary reform, and proposed a procedure for the mutual settling of accounts in trade between the ruble-zone states and Estonia.

There was a long discussion between the leaders of the Estonian Bank and the Russian Central Bank, the latter being the bank which organizes the issue of the ruble. As a result of the discussion, a draft interstate agreement was drawn up for government leaders, which is to determine the parties' future actions. The principles for mutual settling of accounts were agreed upon, and a special agreement on non-trade settling of accounts was also concluded.

Texts of agreements for separate settlements of accounts were coordinated with the delegations of other ruble-zone states—Latvia, Lithuania, Armenia, Georgia, Kazakhstan, Moldova, Turkmenistan, Ukraine, and Kyrgyzstan; the delegations asked for a week to consider and coordinate these agreements and to have them signed.

An agreement on settling of accounts was, however, signed with Ukraine. In fact, that was the only document to be signed at bank level on this occasion. [passage omitted]

What significance will these few agreements and cooperation plans have for the Estonian Bank if a major agreement does not as yet exist? Will the monetary reform be postponed? Siim Kallas voiced his opinion that the necessary interstate agreements will be signed within the next few days, or in a week at the latest, because with most issues it is only details and technical issues that are bogging things down. Moreover, the Russian Central Bank's representative confirmed that the general agreement has in principle been initialed by all parties concerned. [passage omitted]

Meeting on New Currency Ends

OW0706153692 Moscow BALTFAX in English 1432 GMT 7 Jun 92

[Transmitted via KYODO]

[Text] Officials of the central banks and trade ministries of the rouble area countries ended a two day meeting at Lohusalu outside Tallinn on Saturday [6 June] by agreeing on the principles of mutual account-settling and trade after Estonia introduces its own currency unit—Krona [kroon].

Estonia and Ukraine signed a bilateral agreement on account-settling, but other republics who wanted a week in which to contemplate said they were willing to do so, too.

The president of the Bank of Estonia, Mr Siim Kallas, said afterwards that Estonia would go ahead with its monetary reform this month despite the refusal by most republics to sign bilateral agreements. He said unlike the

rouble, the agreement provided for convertible Krona. Mr Kallas said Estonian producers would be able to earn roubles but these would be exchanged for Kronas at currency markets.

Estonia and Russia are also expected to sign a government-to-government agreement on mutual commitments following Estonia's money reform. Estonia will take all the roubles out of circulation to return them to Russia's Central Bank because they will no longer be used in the republic. The Bank of Estonia and the Central Bank held bilateral consultations on the issue.

The meeting at Lohusalu involved Russia, Ukraine, Byelarus, Moldova, Georgia, Turkmenistan, Kyrgyzstan, Latvia, Lithuania, Armenia and Kazakhstan.

Agreement Reached on Succession to Archives

LD0706083292 Moscow ITAR-TASS World Service in Russian 1601 GMT 5 Jun 92

[By BELTA correspondent Larisa Lazar for TASS]

[Text] Minsk, 5 Jun—The commission on issues concerning legal succession to the treaties, state property, state archives, debts, and assets of the former USSR has completed its work in the Byelarusian capital today.

The results of the two days of work by the commission, which was set up in a working group of the council of the CIS heads of state and heads of government, has been the signing of a draft agreement on the issue of legal succession to the state archives. It was signed by representatives of Armenia, Byelarus, Moldova, Russia, Tajikistan, Turkmenistan, Uzbekistan, and Ukraine. The aim of the document is to afford equal guarantees to the sovereign republics for setting up valuable archives, to affirm their integrity and indivisibility, and to afford the Commonwealth countries the right to the return of archives collected on their territory and which have some bearing upon the history of the said state but which ended up outside that state at some point.

As the coordinator of the working group told a BELTA correspondent, [passage indistinct].

Participants in the session also exchanged views on state property and the debts and assets of the former USSR. Discussion of these problems is to be continued at the next session of the commission, which is to take place on 1-2 July in Minsk.

Inter-State Council for Standards Meets

LD0706221892 Moscow Radio Rossii Network in Russian 1100 GMT 6 Jun 92

[Text] The meeting of the Inter-State Council for Standards has ended in Krasnodar. ITAR-TASS reports that those taking part in it were representatives of all the Commonwealth countries. The participants of the meeting spoke in favor of the need for all the CIS member-states to adopt legislative acts on standardization, without which it will be difficult to improve the quality of output. The meeting also adopted a number of documents with a view to setting up an inter-state standardization system, and the basis for its functioning.

Media

ITAR-TASS Carries Press Review for 9 Jun

LD0906092992 Moscow ITAR-TASS World Serviced Jun 92

["Press Review"—ITAR-TASS headline]

[Text] Moscow, 9 Jun—The increase in the number of new political organizations in Russia, the process of building the armed forces in the Russian Federation, and the unceasing armed clashes in South Ossetia, between Moldova and the Dniester region—these are the main topics in today's morning papers in Moscow.

Reporting the establishment on 6 June of the People's Patriotic Party [Narodno-Patrioticheskaya Partiya—PPP] or the "Afghantsy party," NEZAVISIMAYA GAZETA sets out its program, the essence of which is that "the PPP will actively defend the ideas of strong presidential power" and advocate "decisive reshaping of the power structures in the interests of renewing society and the quickest possible reshaping of the soviets which are putting a brake on, and in some places openly impeding the implementation of reform."

The same newspaper and KRASNAYA ZVEZDA publish a statement from Army General Pavel Grachev, defense minister of Russia, noting that "the prime and main issue" facing Russia's Ministry of Defense "is the building of the armed forces of Russia which will be done in stages." There are reports about the mass withdrawal from abroad and the fairly difficult relocation of troops in new places, about "the operational deployment of groups of the armed forces around the entire perimeter of the Russian border" in a situation of political and economic instability. It is noted that Grachev expressed his disagreement with the country's former leadership and Ministry of Defense over their decision to withdraw our troops from Germany over four years. "This is an unrealistic timescale for such an immense operation to be done in a civilized manner. If we are going to run, then four years will do," he noted. Moreover, "I cannot understand the figures in the Baltic and in Moldova who want our troops to leave their territory this year, 1992 ... we have to live in the real world, there is no way we can start the withdrawal of major contingents before 1994."

An extensive article "Russia and Nuclear Weapons" printed in NEZAVISIMAYA GAZETA states that the armed forces should be "relatively small, highly mobile, and possess highly accurate weapons and delivery systems." It is stressed that it is necessary for nuclear weapons to be destroyed as soon as possible because of

the possibility of the "break up of the Russian Federation and then of its armed forces and the single system of control over nuclear weapons." In this situation, the paper writes, "an uncontrollable threat to the existence of the whole of humankind would emerge." Therefore, "prevention of political disintegration by all possible means" should be "the main objective of the state policy of Russia itself, just as it should be the main objective of the policy of the outside world towards Russia and the CIS."

TRUD cites the statement by the Russian Federation Ministry of Foreign Affairs over the deliberate whipping up of tension in a number of places over Russian troops, which the leaders of some countries of the CIS are calling "occupying." Meanwhile, acts of provocation are being carried out with regard to Russian servicemen. The document notes that "Russia will not regard neutrally cases of insulting treatment of Russian servicemen and will defend their interests in the most decisive manner."

Under the headline "Shells Fly and Mines Explode," TRUD reports on its front page the fierce battles between subunits of the Ossetian Guard and Georgian armed formations on the approaches to Tskhinval and also the continuing exchanges of fire between Moldovan and Dniester region detachments around Dubossary.

SOVETSKAYA ROSSIYA and PRAVDA write about the sharp fall in the standard of living in the Russian Federation. For example, in the words of the latter, "since the liberalization of prices, Russians have begun buying two to two-and-a-half times less sausage and fish products than last year, a third less meat, poultry, vegetable oil, and sugar, and 20 percent less eggs and margarine."

The papers report on the visit by Russian Federation President Boris Yeltsin to Nizhnyy Tagil and cite his words during a meeting with the heads of local industrial enterprises to the effect that "there will be no deviation from the strategy of reforms. There will merely be certain changes in tactics." One such change, in the president's words, will be control over the price of fuels.

Decision To Set Up Inter-State TV Reviewed

LD0406214592 Moscow ITAR-TASS in English 1604 GMT 4 Jun 92

[Text] Moscow, June 4 TASS—Commonwealth experts met in Minsk to review the fulfillment of the decisions by the Tashkent meeting of the heads of government of the Commonwealth member-states to set up an inter-state television company. The meeting, which lasted from June 1 to 3, was held under the auspices of the Commonwealth working group.

Participants prepared a package of draft founding documents, which is planned to be discussed at the next meeting of the Commonwealth leaders opening in Minsk on June 23. The drafts were approved on the basis of consensus by representatives of television and radio broadcasting organisations from ten CIS countries: Armenia, Byelarus, Kazakhstan, Kyrgyzstan, Moldova, the Russian Federation, Tajikistan, Turkmenia, Uzbekistan and Ukraine.

International Affairs

Foreign Minister Interviewed on Policies

PM0906093792 Moscow KOMSOMOLSKAYA PRAVDA in Russian 9 Jun 92 p 3

[Interview with Russian Foreign Minister Andrey Kozyrev by O. Dmitriyeva; date and place not given: "War and the Foreign Ministry. Our Correspondent Talks With Russian Foreign Minister Andrey Kozyrev"]

[Text] [Dmitriyeva] Andrey Vladimirovich, over the past few months the Russian Foreign Ministry as represented by you has been exceptionally active and dynamic, building bridges in the most far-flung parts of the world. Yet malicious tongues continue to wag and claim through the press that the "minister's troubleshooting trips" merely show that the Foreign Ministry lacks any properly worked-out concept, and that the Russian Foreign Ministry has come up with nothing that is fundamentally new in our foreign policy line and is giving way and curtseying to the West with even greater enthusiasm.

What, in your view, feeds the suspicions about the reluctance or inability of the new democratic Russia to defend its national interests?

[Kozyrev] My reply would be—the Soviet mentality. We all still carry it around with us. It cannot offer us anything but strong-arm solutions to any problems, and diktat.

Many people are convinced that if Russia were to take a hard line today, there would be bread and land and peace in the twinkling of an eye. However, we know from history just what this strong-arm Bolshevik path means—those promises about the rapid onset of a bright tomorrow are a dead end. They will bring neither bread nor land. Nor a place for Russia in the outside world: Everyone will reject us, just as they have rejected Serbia, and sanctions would equally be applied from all sides. We would have the same things that Serbia now has—the hatred of its former "brothers" for the central republic.

Democracy is not built by strong-arm methods—just as communism was not built by them.

Our fundamental task now is to form ourselves into a state and enter the family of civilized peoples. This is the first part of our foreign policy concept. Our second task is to create a zone of good-neighborliness around Russia, including in it all the highly developed democratic states—from the United States (which is just three miles away) to our former union republics.

With regard to the latter, Russia's position is as follows: a) to have friendly, good-neighborly relations; b) to preserve the degree of responsibility for the entire region which has historically lain with Russia; and c) to defend our interests—that is, primarily the interests of the Russian and Russian-speaking population living in those states.

[Dmitriyeva] Is Russia really capable of defending them? In what way? I ask this stupid question because I see no precedent as yet for such defense.

[Kozyrev] That is indeed the crux of the matter—just how? With weapons? We can only fight a coalition of countries or a country. (I would note in passing that I simply cannot see either a coalition of countries or a country which Russia would have to fight). Anyway, it is impossible to fight for the rights of the Russian population. If we were to seize some former republic and spill a sea of blood—including Russian blood!—what then? Would we have to deal with a national liberation movement that would wear us down in protracted warfare?

[Dmitriyeva] Do you have infinite faith in the power of peacemaking statements alone?

[Kozyrev] If we are talking about the possibility of, say, some republic using its army against some mass of the Russian population—so far there is not even any question of this!—then we would have to use methods of force [silovyye metody], sanctions, and so forth. In all other cases these are civil conflicts and, regrettably, are not susceptible to rapid resolution.

[Dmitriyeva] Does that include the by no means isolated cases of attacks on CIS Joint Armed Forces military installations in the Baltic countries, for instance? What about the seizure of officers' homes? The military are directly accusing the Russian Foreign Ministry of inaction and are stating that they are prepared to defend their lives, honor, and dignity themselves....

[Kozyrev] So far we are acting in a civilized fashion. However, we may be compelled to use force. The Army will be forced to respond to bandit attacks. This would be pure self-defense, and we could not be accused of anything.

It is another matter that we must not oversimplify the situation regarding the presence of our military on the territories of the now-sovereign states. U.S. bases exist around the world in the context of definite agreements. However, we still have to hurriedly draw up such agreements. Our troops currently have no legal protection.

[Dmitriyeva] You know, within Christian teaching our current meek concept is above suspicion. However, we are not yet very good Christians—like the rest of the world community, incidentally!—and we get rather annoyed about giving someone our last shirt. I'm talking about the Crimea, for instance.... Do you not think, Andrey Vladimirovich, that this is not a civilized method but just a banal failure of our foreign policy?

[Kozyrev] Why a failure? The Crimea question is by no means closed, it still has to be resolved, but again—not by strong-arm methods! We must not get to the point of a confrontation with Ukraine and turn the Crimea into

Bosnia. I would call on all of us to take account of one sad reality: Yes, we have been left with outlines that are entirely unjustifiable—either ethnically or historically—for the national states into which the USSR broke up. Virtually every border comes with a history of arbitrariness and voluntarism. Unfortunately, for inexplicable reasons, the Crimea is in Ukraine. The territorial position of Russia itself is not spotless either. The same applies to West Europe.... If we were now to open this Pandora's Box through the Crimea, then all borders would be thrown into dispute, and the result would be a free-for-all and a bloody jumble.

This means that, since we have been unable to preserve the Union, the only solution is to resign ourselves to what we have today and not go in for any territorial alterations!

[Dmitriyeva] Andrey Vladimirovich, how do you explain our U-turn with regard to Serbia? As I recall, your recent visit to Yugoslavia went ahead under the slogan "we are friends and always will be." However, today we are virtually considered to be traitors.

[Kozyrev] We have not made any U-turn. If anyone has, it is more the United States. At first it stubbornly dragged its feet on recognizing the obvious process of the breakup of Yugoslavia (and I do not rule out the possibility that the delay in recognizing the republics was meant to trip the Soviet Union up [byla podnozhkoy Sovetskomu Soyuzu]), and then it suddenly rushed to catch up with the departing train. One gets the impression that they were punishing the Serbs for their own delay.

The process taking place in Yugoslavia was more obvious to us in Russia than it was to the West, because we had been threatened with the same affliction. The United States clung on to the old concept, but we and the Europeans understood that any further delay in recognizing the Yugoslav republics would promote a right-wing political vacuum.

The Americans raised the question of expelling Yugoslavia from all international organizations. We opposed this. We oppose the collapse of Yugoslavia, but we are also against keeping it together by force. That was why we blocked sanctions against Yugoslavia at the CSCE. We merely agreed to the CSCE formula of "consensus minus one"—that is, that Yugoslavia not be expelled, but that a normal member should merely be deprived of its right of veto over matters concerning it. We insisted on this, although we came in for criticism and abuse at the CSCE.

For some reason our homegrown press has reproduced the Russian position in its most primitive form—as unthinking support for Serbia under any circumstances. That is an absurd concept! We—like any other normal state, incidentally—cannot have unconditional friends who could place Russia in confrontation with the entire world through their recklessness. I took an unprecedented step to meet Yugoslavia halfway—I went there. We established good relations there with all the republics, including Serbia. However, we persistently advised them to stop the bloodshed forthwith. Our advice was ignored. Continuing to support Serbia in this situation would have meant stirring up all the other Slavs in the Balkans against us and, if you like, taking some of the Yugoslav bloodshed indirectly upon ourselves. This would mean that great Russia had tilted the balance in favor of the strong-arm lobby, in favor of the party of war. That would have been an absurd, one-sided approach, do you understand?

After all, sometimes friendship is all about telling people the truth, but if you keep giving an alcoholic another drink, he'll keep on drinking!

However, that is not the end of the story. Even after voting for sanctions, we have continued to work in close contact with the Serbian leadership, drawing out and literally dragging out every positive change, and these there have been.

I get the feeling that our involvement with sanctions has been like a sobering cold shower for the Serbs....

[Dmitriyeva] As is well known, TANJUG's Moscow bureau has pointed to a direct link between our "back flip" and Russia's request to the West—issued the same day—for a five-year moratorium on repayment of our multibillion foreign debt...

[Kozyrev] There is no connection, absolutely none! Unfortunately, we do not yet have the kind of coordination in the government which would make it possible to tie in one political step with another. We all naively believe that the Foreign Ministry's work is clearly coordinated with our general political line. Unfortunately, this is not yet the case.

[Dmitriyeva] Of course not—nobody, it seems to me, is under any illusions about the lack of coordination in our politicians' actions. In this connection it would be interesting to know just how talks are conducted on various international problems if they have not been elaborated by the Congress or ratified by the Supreme Soviet? For instance, when you meet and negotiate with the Japanese over the islands problem, are you acting on anybody's behalf?

[Kozyrev] On behalf of the cast-iron position of the former USSR. The islands are ours—period. Nobody has given us a new position, and the Foreign Ministry does not make any fundamental decisions on foreign policy matters. Thank God, the times when positions were worked out by departments is over.

It is another matter that neither the Congress nor the Supreme Soviet have given me new instructions and that therefore, in this particular case, I am unauthorized to negotiate over the islands.

In March the Japanese side for the first time proposed a compromise—agreeing to two islands and to subsequent talks on the others.

What compromise can I offer in response? None! That is why there are no talks on this problem in the diplomatic sense. I sit there and politely ask the Japanese questions—inquiring about what's new, as it were. From the standpoint of my rudimentary, cast-iron position, it makes no difference to me how many islands they demand—two or four.... That is how absurd things are.

I have repeatedly appealed to the Supreme Soviet to hold closed hearings on the islands question. Closed hearings! To stop us all scoring propaganda points in demonstrating our patriotism. Although this is by no means an ideological question but a question of national interests. Nobody is dealing with national interests in our country!

The president has not given me any new instructions either, incidentally.

[Dmitriyeva] Why then is Yeltsin himself going to Japan in September? Surely he too is "unauthorized." Is it a personal trip?

[Kozyrev] I don't know....

Paris LE MONDE Interviews Foreign Minister

PM0806154492 Paris LE MONDE in French 8 Jun 92 pp 1, 4, 5

[Interview with Russian Foreign Minister Andrey Kozyrev by Jan Krauze in Moscow on 5 June]

[Text] Moscow—[Krauze] The most delicate sphere of Russian foreign policy is now its relations with the other former republics of the USSR. Does the CIS still have a future? Has Russia not already moved on to the following stage—the formation of a more limited community with countries agreeing to place themselves under its protection?

[Kozyrev] The very notion of the CIS is being clarified. The states that have replaced the former Soviet Union cannot separate without maintaining some links. In this respect, we are trying to encourage the largest possible number of republics to participate. At first, we wanted to do it within the framework of the Union, then it became obvious that only a commonwealth was feasible.

Unlike Gorbachev, we did not want to cling at all costs to what was finished—that was a considerable waste of time and placed us in danger of "Yugoslav-type" bloodshed.

Our principle is still the same, we are ready for cooperation, integration, joint actions, to go as far as any or all of the republics wish. At the present time, it seems that the republics are beginning to gain a better position in the world around them. The European republics are in the CSCE sphere, are dealing with highly civilized states, and clearly wish to belong to the civilized world. The process of their return to a close union and cooperation with Russia is slow but I am convinced they will come around to that sooner or later.

The Asian republics belong to a different world and although at first they had illusions, they back-pedaled when faced with the reality of Asia.

Those republics realized that it was better to conclude a political and military alliance with Russia in one form or another. This process is more complex with the European republics and that is why it would be fairer to talk of cooperation with individual participation in many forms, rather than the failure of the commonwealth idea. It will be a very diverse commonwealth backed up by bilateral agreements, and by small groupings around common interests.

[Krauze] The border problem is one of the main subjects of friction between Russia and the European republics. Do you think it is possible for the Crimea to be returned to Russia?

[Kozyrev] I do not rule it out, I do not rule out territorial changes in that part of the world. On this subject, the most important dispute is between us—the democrats—and the Communists: What methods are acceptable and effective? They start from the principle—traditional among the Bolsheviks—that these problems can be settled by armed force. We refute that. Problems must be solved in a civilized, democratic way. Of course, it is very difficult to uphold this viewpoint in the atmosphere of impatience prevailing in Russia and also in the other republics. The danger of revenge by the apparatus remains, not necessarily in the form of a coup d'etat, with tanks in the streets, but in seizing command posts in the Army, the Interior Ministry, and the former KGB.

Of course, that is why it is particularly difficult to maintain a democratic line. Any democratic process can be seen as inertia when compared with the use of force. If this atmosphere of confrontation did not exist in the Crimea, the people could be consulted either through a referendum or by elections, then, in accordance with the provisions of international law, by taking account of the interests of Russia and Ukraine, it would be possible to solve this problem by negotiation. In this respect, I think the example of Saarland is very significant. In this case, France and Germany, after establishing friendly relations and proclaiming their union, succeeded in solving that problem.

[Krauze] Could the same happen with the left bank of the Dniestr? Do you rule out the possibility of it becoming part of Russia one day?

[Kozyrev] It cannot be ruled out. In regards to the left bank of the Dniestr, it is important that Moldova abandon its unrealistic views. I do not understand why Moldova absolutely must be a united state when it comprises regions like the left bank of the Dniestr, and Gagauzia, which have a very special history and demographics. It is vital to give the left bank of the Dniestr separate political and legal status, at present within Moldova, because, for the time being, there is no other solution. Subsequently, there may be various solutions.

[Krauze] Do you not think that the principle of the inviolability of borders in Europe is a golden rule?

[Kozyrev] Yes, it is one of the sacred cows that cannot be ignored. The question of the inviolability of borders, as formulated in the CSCE framework, definitely does not mean that the borders cannot change on the basis of agreements. However, you must reckon with the view of the population in the territories we are discussing and start a process of negotiation among the states concerned.

[Krauze] In Nagorno-Karabakh, the borders have been changed by force.

[Kozyrev] What changes by force will again be changed by force. Territorial changes obtained by force must not be recognized, in Karabakh's case or in any other case. This does not mean that the population's wishes cannot be expressed by democratic means. However, this must be done, not under threat of arms, but in normal conditions of freedom.

[Krauze] Some people, particularly in Ukraine and the Baltic countries, think that Russia has returned to superpower politics.

[Kozyrev] Democracy is a means of apprehending problems and solving them. If Russia turns a blind eye to those problems, it will do no good. If the other states think that the aim is Russian expansionism, then we will find ourselves in a blind alley. I see nothing expansionist in that, but rather recognition of the reality in which we live. The aim is not necessarily to divide or reunite territories with other states, but we could envisage states recognizing the presence within them of territories with special characteristics. These regions could have very close contacts with Russia—preferential ties. This should not frighten people.

[Krauze] The fact that Russia joined the sanctions against Serbia prompted very strong criticism here. In these circumstances, do you think that you can strictly observe the embargo?

[Kozyrev] Of course, if we voted for it, it means we will abide by it. That is not the problem. It is a question of understanding what the embargo is. A problem cannot be solved merely through sanctions. That is why we made a statement before voting for the sanctions in which we asked the United Nations and the CSCE to make a pledge on the principle of a political settlement in Bosnia. I proposed that competent committees be created within the Security Council and in the framework of the CSCE with the task of assessing and drawing up initiatives and measures to complement the sanctions with a view to replacing these sanctions, because there is already a withdrawal from aggressive positions toward Bosnia-Hercegovina: The sanctions will miss their target.

The pressure on Belgrade has worked, it can continue to be used for some time, but already, for example, Milosevic has said that he recognizes all the Yugoslav republics. This is an interesting development. It is, so to speak, a way of abandoning his territorial claims.

[Krauze] On the eve of Mr. Yeltsin's previous visit to the United States in February, there were numerous disarmament initiatives, there was even talk of spectacular plans like Russia's participation in the creation of a "space shield" in conjunction with the United States. Nothing is now being said.

[Kozyrev] Nothing is being said for a simple reason: We are working on the practical means of bringing the different positions closer together. Do not forget that the reduction and elimination of strategic weapons is a major technical and industrial enterprise. It costs a great deal, that must be taken into account.

[Krauze] And perhaps you also need to take account of some of your generals too, who are applying the brakes?

[Kozyrev] I make no secret of that. There are differing viewpoints. There is a military-industrial complex. I have told you that the possibility of opposition or even revenge by the bureaucracy is very real. There are people who find it difficult to adapt, especially the military, and that is natural. Even diplomats, moreover. For men who for 30 years, since they took their first military or diplomatic steps, have been accustomed to regarding the United States, the West, and NATO as enemies, it is very difficult to admit that what was black has become white.

[Krauze] Do you not also think that the Americans are now less enthusiastic with regard to Russia in general and your policy in particular?

[Kozyrev] The problem consists of seeing Russia in a different light. The USSR was a closed society, a monolithic enemy. Then Gorbachev arrived, and he was associated with everything good about that time, again as a monolith, a symbol. Even now it is difficult to depart from a stereotyped concept of relations with Russia. Everybody accepts that in the United States there are at least two parties, that within the administration there are different viewpoints, disagreements; everybody regards that as normal. You must understand that in our country there are conservatives and the danger of revenge by the apparatus, but also a very great potential for democratic development.

[Krauze] There do not seem to be such big differences of opinion within the American executive as those that separate you, for instance, from Vice President General Rutskoy?

[Kozyrev] That is true. That is the way it is, I cannot do anything about it.

[Krauze] Do you regard yourself as the successor of men like Andrey Gromyko or Eduard Shevardnadze, in the same way that Russia regards itself as the successor of the USSR on the international stage?

[Kozyrev] Yes, of course. I feel the weight of that responsibility, but I do not simply want to continue what

they did. The system, the orientation of foreign policy, must be radically changed. Under Gromyko there was an unavoidable coexistence with the West, seen as a form of struggle. Under Shevardnadze there was an attempt to give that struggle a human face, as there was with communism itself. My wish is that Russia will become a normal democracy and regard the civilized Western states as natural partners and allies, which, of course, does not rule out disagreements, as is the case within the Western community.

[Krauze] You want a "normal" country?

[Kozyrev] Yes, normal, but it is a huge country. Several small West European countries have followed a similar path from dictatorship, a totalitarian regime, to gradual integration into the Western community. The difference is that Russia, if only because of its size, cannot be absorbed like that; it needs an effort by both sides....

[Krauze] Do you not think that Russia is more likely to follow a Third World course?

[Kozyrev] That is precisely what the opposition is trying to impose on us—this inferiority complex. The complex of a backward nation that must still follow a different path—either communist or, now, extreme nationalist. The threat exists, but it would be a disaster.

Claims to Ukraine Denied

OW0806144592 Moscow INTERFAX in English 1408 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] The recent reports alleging, with reference to the French newspaper Le Monde, that Russian Foreign Minister Andrey Kozyrev laid territorial claims on Ukraine while giving an interview to this newspaper "were torn out of the context and do not reflect either Russia's position, or the minister's views," said Director of the Russian Foreign Ministry's Information and Press Department Sergei Yastrzhembsky.

He told IF [INTERFAX] that Andrey Kozyrev did give an interview to the newspaper LE MONDE. Asked whether he found the return of the Crimea to Russia possible, he said that an exchange of territories in this part of the world was quite possible".

Kozyrev said that the most serious disagreements have arisen between the democrats and the communists. The latter stake on force. Sergei Yastrzhembsky said that in the interview the minister said the following: "We reject this position and emphasize the need to settle all problems in a civilized and democratic way".

More on Kozyrev's U.S. Visit, Baker Talks

Comments on Yugoslav Sanctions

LD0906081692 Moscow ITAR-TASS World Service in Russian 1658 GMT 8 Jun 92

[By ITAR-TASS correspondents Aleksandr Korolev and Georgiy Shmelev]

[Excerpt] Washington, 8 Jun—[passage omitted] Speaking about other items on the agenda, the Russian foreign minister said that in his opinion "a unique opportunity to prepare an agreement on disarmament, especially on strategic weapons, is within reach." The heads of the two countries' foreign policy establishments commented that the UN efforts to resolve the armed conflict in Yugoslavia, in particular the imposition of economic sanctions against Serbia, are an important aspect of the entire world community's attempts to achieve a peace solution in the region. A. Kozyrev said that by supporting sanctions against Serbia, Russia is taking into account her political ties in the region and applying the method of "political persuasion and friendly advice to convince Belgrade that it must heed the voice of the world community."

'Satisfied' With Talks

LD0906015892 Moscow ITAR-TASS World Service in Russian 2330 GMT 8 Jun 92

[By ITAR-TASS correspondent Aleksandr Korolev, Georgiy Shmelev]

[Text] Washington, 9 June—"I am satisfied with the course of talks with U.S. Secretary of State Baker, talks which are taking place in a spirit of new partnership," stated Russia's Foreign Minister Andrey Kozyrev on the completion of the second round of meetings in the U.S. State Department. He is in the American capital on a working visit to prepare for the summit meeting between the leaders of the two countries, which will be taking place here next week.

Answering a question from a TASS correspondent, he noted that the sides "went through the whole range of questions that had been put down for discussion." They require serious working through and therefore, a decision has been taken to hold yet another round of discussions, which will take place today. Complex problems remain on the agenda, noted the minister, and in resolving them "we need to observe the interests of Russia, to find such a solution which even hypothetically would not place in doubt the security of both sides."

Kozyrev pointed out that he is optimistic about the outcome of the talks. "There will be a result," he stressed in conclusion.

Summit Preparations Discussed

LD0906153892 Moscow ITAR-TASS in English 1449 GMT 9 Jun 92

[By ITAR-TASS correspondents Aleksandr Korolev and Georgiy Shmelev]

[Text] Washington June 9 TASS—Tuesday [9 June], the final day of Russian Foreign Minister Andrey Kozyrev's working visit to the United States, began with his meeting with U.S. Secretary of State James Baker in the State Department.

During this third round of talks over the past 24 hours, the sides are working on the settlement of the remaining issues of preparations for the Russian-U.S. summit, which is scheduled to be held here next week, and will also try to find a solution to intricate issues in the disarmament field. Kozyrev said before the beginning of the meeting that discussions on the entire spectrum of the agenda will be continued at it. [Moscow ITAR-TASS in English at 1516 GMT on 9 June adds that "U.S. President George Bush received in the White House today Russian Foreign Minister Andrey Kozyrev, on a working visit here."]

Charter on Relations Outlined

PM0906135792 Moscow IZVESTIYA in Russian 9 Jun 92 Morning Edition p 4

[Aleksandr Shalnev report: "Yeltsin and Bush Intend To Proclaim Russia and United States Partners and Friends"]

[Text] Washington—To conclude their meeting in Washington on Wednesday 17 June, President Boris Yeltsin and President George Bush will sign a Charter of Russian-U.S. Relations which will proclaim the two countries to be partners and friends.

The draft charter has already been agreed upon almost entirely and will be finalized during Foreign Minister Andrey Kozyrev's 36-hour visit to Washington.

The charter formulates the principles by which the United States and Russia will theoretically have to be guided both in relations with each other and with regard to what concerns these relations even indirectly and influences them. This document had a precursor: The "Fundamentals of Relations"—true, between the United States and the Soviet Union, which still existed then—were being drawn up in not so distant times. Understandably, there could be no question of friendship at that time.

The key provisions of the charter, which consists, apart from the preamble, of three sections—"Democracy and Partnership," "International Stability and Security," and "The Economy"—are as follows:

—Russia and the United States proclaim the end of ideological confrontation between them, do not regard each other as potential enemies, and develop relations of friendship and partnership;

—the United States will support the Kremlin's efforts aimed at creating a rule-of-law state and a democratic society in Russia;

—the borders of the republics of the former Union may only be changed by peaceful means—in accordance with the norms of international law; Russia and the United States confirm their respect for the existing borders;

—the sides advocate using "the possibilities of NATO, the Western European Union, and the North Atlantic Cooperation Council" to create a reliable peacekeeping potential in Europe;

—the United States, fully resolved to continue supporting the policy of reforms, and Russia acknowledge the key role of the private sector in reviving the Russian economy.... The Russian Government proceeds from the need to create a favorable investment climate,.... and the U.S. Administration will strive to liberalize and ultimately remove restrictions, including multilateral ones, on trade in sophisticated technologies.

The charter has many traditional provisions, apparently copied from agreements of past years, which might now give rise to questions. For example: The draft charter speaks of the sides' intention to take the lead in preventing and settling crises and interethnic and internation conflicts. However, the obvious failure of Moscow's attempts to get to the bottom of "domestic" ethnic and national crises and conflicts casts doubt on Russia's ability—at this stage—to share the role of leader with the United States.

I wish particularly to touch on the economic section of the charter. It seems to me that the United States' proclaimed support for the economic reforms in Russia will primarily be verbal in nature. IZVESTIYA has already written that the Freedom Support Bill, which proposes allocating us financial and economic assistance, has gotten bogged down on Capitol Hill and will not be adopted in the near future.

Confirming this information a few days ago, THE NEW YORK TIMES added that there is now also doubt about assistance for Russia under IMF auspices. Citing information received from Robert Strauss, U.S. ambassador to Moscow, and from a high-ranking, albeit anonymous representative of the Washington administration, THE NEW YORK TIMES pointed out that, contrary to the previous plans, the Russian Government and the IMF will hardly be prepared to sign in July an agreement under which Russia would begin receiving the first injections of $24 billion in Western aid. At best, the newspaper emphasizes, this will happen only in September.

There are two main reasons for the situation that has come about: the U.S. legislators' growing understanding

that in a general election year it is better for them to concentrate their efforts and attention on "domestic" problems and not on aid for former enemies and future partners; the growing doubts in the administration, in Congress, and in international financial institutions whether the process of reforms will not be reversed, whether the political situation in Russia will not be destabilized to a critical extent, and whether Yeltsin will hang on to power.

It strikes me as very symptomatic that a secret report by the U.S. Defense Intelligence Agency with an extremely hard-hitting portrait of the Russian president has been made public. It calls him "an alcoholic suffering from cirrhosis of the liver" and voices serious doubts about Yeltsin's political longevity.

According to THE WASHINGTON TIMES, which carried a brief account of the Defense Intelligence Agency's report, which is "based on intelligence information from Moscow," "pessimistic assessments of Yeltsin's state of health are not shared by all U.S. intelligence departments." Be that as it may, it can hardly be considered accidental that a report with the very top seal of secrecy has been given very wide publicity in a society where people are no less able, if they so desire, to keep information secret than in a closed society.

It seems to me that Andrey Kozyrev and his delegation, who are holding a series of talks here on Monday, 8 June, with Secretary of State James Baker and his experts, will have not only to agree the approximately 20 documents which must be ready for signing in time for the Russian-U.S. summit meeting but also to explain to Washington officials the situation which has now taken shape in Russia—political, economic, and, let us put it like this, "personal."

Kozyrev Writes Article on Yugoslav Policy

PM0906091192 Moscow IZVESTIYA in Russian 9 Jun 92 Morning Edition pp 1,4

[Article by Russian Minister of Foreign Affairs Andrey Kozyrev: "The Side Russia Is on in the Yugoslav Conflict"]

[Text] According to the national democrats, first "we" lost the socialist camp, then the Soviet Union, and now Serbia.

But what in fact is happening to us?

Let me begin with an episode in Uzbekistan. In Bukhara I got a chance to tour the city. In an old tea house I was called to the telephone. U.S. Secretary of State J. Baker was calling, and after that I was given an EC message. The Americans were insisting on Belgrade's complete exclusion from the CSCE, while the Europeans were insisting on temporary exclusion. I called the president. We told our partners of the unacceptability of such measures and achieved a compromise formula whereby Yugoslav delegates would not participate only in the adoption of a decision relating directly to the conflict and demanding that Belgrade, and likewise the other parties, take urgent measures to end the bloodshed.

This episode is only one piece of evidence of Russia's special role in the drama of what used to be Yugoslavia. Then there was the adoption of the decision for the Russian foreign minister to visit all the states—without exception—on the territory of the former SFRY in order to safeguard our traditional interests in this strategically important region on the basis of the fund of friendly ties between Russia and the Slav peoples living there. It must be said that we met with a more than friendly reception everywhere.

As far as Belgrade is concerned, the main task was to make use of our good relations to convince the Serbian leadership to heed the voice of reason and warn them against disregarding the just demands of the world community. In Sarajevo, despite the fighting, we managed to talk with representatives of all the parties to the conflict and even get adopted a mutually acceptable plan for a cease-fire, an end to the blockade of the airport, and the delivery of humanitarian cargo.

We were convinced with our own eyes that, for all the responsibility for the conflict borne by the various forces—Bosnian Serbs, Croats, and Muslims—Belgrade has the most powerful economic, political, and military levers for influencing the situation in Bosnia and Hercegovina. Then, despite the advice of what the Yugoslav press itself called "friendly great Russia," the "Russian peace"—that is, the plan brokered [soglasovannyy] by us—was wrecked by the actions of armed forces controlled by or dependent on Belgrade, the Russian Federation president adopted a decision to support UN sanctions.

It is not a matter of pique or punishment. The main task is to support the sensible forces in the Yugoslav leadership and society.

Conci[illegible]tion would only encourage the national communists in Belgrade and the Yugoslav Army who, having shed rivers of Slav blood (after all everybody there, even the so-called Muslims, are Slavs) have not only proved unable to defend the SFRY or Serbs in other republics but, through this blood, have given strength and substance back to the dark demons of past hatreds and wars and have blocked the reintegration of fraternal peoples for possibly generations to come.

Playing up to these forces would be a betrayal of friendship with Serbia and neighboring republics and of Russia's long-term interests and positions in the Balkans, Europe, and even the world as a whole. This is because blind support for only the Serbian national bolsheviks among all the southern Slavs would leave the Russian Federation isolated in the Balkans, in the CSCE, and at the United Nations alike.

Another fact of no less importance is that Russia itself would be betrayed. This is because in Moscow, too, essentially the same forces as in Belgrade are consolidating today. They are attempting to drive us into the

same abyss. With Bolshevik directness, communist mythology is being replaced by a pseudopatriotic mythology, with the same emphasis on the argument of force rather than the force of argument. If the CPSU , with its military-bureaucratic apparatus, was unable in 70 years to give land to the peasants, peace to the peoples, and bread to the hungry, attempts to rely once again on strong-arm structures and people who are products of the same apparatus would be even more doomed today. Simple answers are worse than theft, especially in highly complex interethnic conflicts which do not brook impatience.

Russian-Serbian contacts have continued since Russia voted for UN sanctions against the FRY (Serbia and Montenegro). We are attempting to persuade the Yugoslav leadership to recognize Bosnia and Hercegovina and all the states which used to comprise Yugoslavia, without territorial claims, and to fulfill the decisions of the world community.

Signs of change in Belgrade's policy have been observed. The main thing is that this should be followed by practical actions. Here our friends can count on firm and authoritative support from democratic Russia.

We have also insistently urged Croatia to take constructive steps and end its military interference in events in Bosnia and Hercegovina.

In our view, the Security Council, in cooperation with the CSCE, should go further in accepting responsibility for the Yugoslav crisis and for Bosnia and Hercegovina. It would be useful to create a special mechanism to systematically monitor the situation and submit recommendations—recommendations on, for example, phasing out sanctions in response to positive measures by Belgrade, sending in additional UN forces with a view to separating the parties to the conflict, and so forth.

One more point: Recently it has been possible to see Russian diplomats heading for battle sites in military helicopters or armored personnel carriers, rather than sitting at the usual negotiating table. It is not out of bravado that a professional Foreign Ministry team is rushing from one "trouble spot" to another. There is simply no alternative to the difficult quest for ways to unravel tightly tangled knots, unless, of course, you hit out at thousands of compatriots and brother-neighbors in a burst of ultrapatriotism or you seriously believe that every Russian child in neighboring republics can be given an automatic rifle or taken to school in an armored personnel carrier.

I am confident that by playing a strong part in settling crisis situations—a solo part but one in tune with UN and CSCE principles—Russia is winning among our neighbors and the rest of the world the requisite confidence and respect enjoyed by a normal great power.

Interest in Serbian Sanctions Questioned

PM0906130792 Moscow KRASNAYA ZVEZDA in Russian 6 Jun 92 p 2

[Aleksandr Golts commentary under the "Topic of the Week" rubric: "Sanctions: We Are Writing 'Yugoslavia,' But Are We Thinking CIS?"]

[Text] I think I know the answer to the riddle that is worrying many of my colleagues at home and abroad. It is as follows: Why has it been decided that only Serbia and Montenegro should be punished when everyone is perfectly well aware that not only Belgrade, but also the leadership of Croatia and Bosnia bear responsibility for the Yugoslav tragedy?

To my mind, the point is that, on the basis of their own interests, the Western states were faced with the need to take resolute measures on this conflict. Apropos of the United States, an observer for Britain's THE TIMES expressed Washington's motives well: "The anarchy reigning in Bosnia-Hercegovina reminds the Americans of the anarchy in their own country—the recent disturbances in Los Angeles. And instead of leading the formation of the 'new world order,' the head of the White House seems to them to be gazing helplessly at the spread of anarchy both within the country and abroad. There is no disputing the fact that there are no important U.S. interests in Bosnia-Hercegovina. But one interest that is extremely important for the White House is at stake: Bush's reelection."

As for the United States' European allies, it is quite obvious that every day that the Yugoslav conflict continues poses a challenge to the idea of a unified Europe. An idea whose implementation is much discussed, but which is continuing to exist on paper only.

So Western leaders, who are prepared on occasion to talk of the priority of human rights and freedom of choice, but who are nevertheless very pragmatic people, have evidently decided: If it proves impossible to settle the conflict fairly, we will end it unfairly. As long as we end it. It matters less who is declared the guilty party. The guilty party was found on the basis of their own ideological or even national predilections. (Furthermore, they were in such a hurry that they acted before the UN secretary general's report on the situation in Bosnia-Hercegovina was issued. Yet cases mentioned in this document again force us to doubt the absolute guilt of Belgrade.)

Quite simply, no other logic can be detected. After all, as France's LA CROIX writes justly, if Western Europe is occupying a stance of unreserved support for the rights of nations to self-determination, then the question arises: Where is the point beyond which the complete decomposition of a state begins. It is unclear why Hungarians can have self-determination in Vojvodina but the same thing cannot be done in Transylvania or Slovakia, and why Russians can have self-determination only in Russia and not in Moldova. The Albanians could

demand self-determination not only in Kosovo, but in Macedonia, Montenegro, and Greece. And, obviously, the Serbian minority in Croatia could in turn go its own separate way.

There is only one possible answer here: The West's position in each specific case is determined by the West's interests, and not by abstract reasoning about human tragedy and justice at all.

It is far more difficult to determine the interests that Russia pursued in joining the sanctions against Belgrade. I was sincerely delighted with the courage of A. Kozyrev, who hurled himself into the seething Yugoslav caldron in order—as it seemed at the time—to help end the bloodshed on the spot, and stop the self-destruction of fraternal peoples. Now, however, we can only guess what exactly led to the change in the repeatedly stated considered and fair attitude. The attitude that sanctions do not solve the problem, and that you must seek paths toward a settlement rather than a culprit. However complicated and winding these paths may be.

If the reason lies in the violation of the truce terms elaborated with Kozyrev's participation in Sarajevo, then who should know better than the Russian minister, who tried to defuse the situation in Karabakh and the Dniester region, how easily any agreements are broken in such cases? They are broken not necessarily at the will of the people with whom these agreements were concluded. If those who are pointing to purely economic reasons (and in particular the desire to receive new Western credits and delay the repayment of old ones) are right, then bad times have indeed befallen Russian foreign policy.

Two weeks ago I wrote that the Yugoslav example should have a sobering effect on the leaders of the CIS republics. Today, however, the situation is changing. Before our very eyes Yugoslavia is turning into a type of test range where the West is rehearsing methods of resolving conflicts that cause it concern. And first and foremost this means conflicts on the territory of the former Soviet Union.

In fact if we forget about the scale of the bloodshed, then how does the situation on the Dniester differ from the situation in Yugoslavia? Both places have a high density of ethnic minorities (made up of representatives of a people who at the same time form the majority in a neighboring republic) that consider themselves restricted in the new state. In both places there are bitter armed groupings that are prepared to fight and are already fighting. In both places the armies are trying to preserve neutrality but are being drawn into the conflict by means of provocations. The analogies are obvious.

The president of Moldova has already appealed to the UN secretary general, accusing Russia of aggression and stating that "the escalation in the military conflict may threaten peace and security in Southeast Europe and is creating a dangerous precedent for the whole international community." The Moldovan leader reserves the right to appeal to the UN Security Council. Meanwhile British Foreign Secretary D. Hurd is telling journalists that Russia's refusal to establish specific dates for the withdrawal of troops from the Baltic republics may prove more explosive than all that is to be seen in Yugoslavia.

So the present situation presents plenty of reasons to hold talks with Russia and the other republics of the former USSR in the language of pressure and threats. I leave you, reader, with the thought that maybe, given a specific development of events, Russia could find itself in Serbia's place. I would like to believe that those who are elaborating our foreign policy will reflect on this.

Macedonian Recognition Tied to 'U.S. Pressure'

NC0906103092 Moscow Radio Moscow in Greek to Greece 1900 GMT 8 Jun 92

[Commentary by Spartak Alekseyev]

[Text] The worsening situation in Yugoslavia has increased concern that the internal Yugoslav dispute might spread throughout the Balkan peninsula. Attempts by the United Nations, the CSCE, the European Community, and Russia to seek a cease-fire in Bosnia-Hercegovina have achieved nothing. The United Nations has been compelled to implement sanctions against Serbia. The situation in Kosovo has deteriorated and has been particularly felt by Greece and Albania. The so-called Macedonian issue, which complicates Greece's positive participation in finding a Yugoslav solution and Greek relations with its partners in the EC, also remains unsolved.

Last week the same problem caused friction between Athens and Moscow as a result of the Russian Government's wish to recognize Macedonia without demanding that Skopje change the republic's name. This is how the words of Russian Foreign Minister Andrey Kozyrev were interpreted during his visit to Skopje. After consultations with Moscow, a Greek Government representative stated: Russia promised us that it would align itself with the EC position on the problem of Skopje's recognition, but there is another interesting piece of information. As an ITAR-TASS correspondent reports, a well-informed source in Athens told him that the Greek Government believes Andrey Kozyrev's statement, which surprised Greece, is linked to U.S. pressure.

The Bush administration does not want to be the first to recognize Skopje because that would affect the prestigious Greek minority in the United States during the upcoming presidential elections, so Washington is currently involved in backstage maneuvers to have others take this step. The Macedonian issue has become complicated. It remains partly an issue of Athens' pan-Balkan policy. Greece must now pay attention to the security of its borders, its commercial arteries toward the north, and seek to rid the country of the destructive UN embargo against Serbia and devote efforts, together with the EC and the international community, to a quick

cease-fire in Yugoslavia and to maintaining the state's existing domestic and state borders.

As Greek Prime Minister Konstandinos Mitsotakis said after a meeting of the Greek cabinet on its Balkan policy that Greece will undertake an initiative for peace in the area, seeking this goal by coordinating its actions with the EC. This line has been accepted by all the country's political parties. Greece's serious stabilizing role in the Balkans is recognized by the West and by its Eastern partners. Russia shares this opinion. In our opinion, despite some friction and misunderstanding between Athens and Moscow on the so-called Macedonian issue, our countries could actively cooperate to settle the Yugoslav crisis.

Russian-Greek relations could play an important role; Greece is closer to Russia than it is to other countries, in particular the Yugoslav republics, especially Serbia and Montenegro. Let us hope peace is restored to this area, with Greece and Russia contributing significantly.

Need for Greek-Turkish Rapprochement Stressed

NC0906090492 Moscow Radio Moscow in Greek to Greece 1900 GMT 8 Jun 92

[Commentary by Spartak Alekseyev]

[Text] Last week it was announced that several Greek-Turkish summit meetings are expected. These will be in Rio de Janeiro at the international conference on the environment, in Istanbul, which the Greek prime minister will visit unofficially from 21 to 25 June, and at a meeting of leaders of Black Sea basin countries. These meetings are expected to continue the Greek-Turkish dialogue which began in Davos, Switzerland, where the idea of a Greek-Turkish friendship and cooperation agreement was initiated; the two neighboring states did not simply mention the possibility of improving relations, but of developing constructive cooperation between them.

The importance of Greek-Turkish rapprochement is obvious. The situation in the large area of the eastern Mediterranean and the Balkans depends, to a great extent, on relations between these two. Cooperation between them could become an important factor in developing new relations in the Black Sea and in comprehensive European procedures. Developing Greek-Turkish relations on a specific basis is necessary, not because of some abstract concept, but because of the new political thought.

The Cyprus problem, the Aegean problem, the difference in positions on the Balkans, confrontation over Turkey's EC membership, the exchange of accusations over the condition of the Greek minority in Turkey and the Turkish minority in Greece, and several other problems between the two countries undoubtedly demand goodwill and new positions. Overcoming these problems would contribute to improving the international situation, but cooperation between Greece and Turkey on the basis of settling every controversial problem between them could lead to very significant results for the countries themselves and for other states.

It is most important that the Greek-Turkish dialogue should not again be suspended, as it was in Paris, and even after Davos, by mutual demands, accusations, and allegations that the solution of one problem or another depended entirely on the other side. Finding a particular catalyst to encourage dialogue is very important. An immediate Cyprus solution based on the UN secretary general's set of ideas and UN Security Council resolutions could play a positive role. A Cyprus solution could have an immediate and tangible benefit for all, Greek and Turkish Cypriots, their country Cyprus, Greece, Turkey, the eastern Mediterranean, Europe, and the entire international community.

Yeltsin Appeal on South Ossetian Conflict

LD0906103392 Moscow ITAR-TASS World Service in Russian 0952 GMT 9 Jun 92

[Text] Moscow, 9 Jun (TASS)—"I appeal to the peoples of Georgia, South Ossetia, Russia and North Ossetia; to state figures, political leaders and the leaders of the various movements; and to all people—regardless of their nationality, political convictions, and creed—to unite in a single call to those who are shooting and killing: Stop, come to your senses, and halt the senseless bloodshed on the territory of South Ossetia," says an appeal issued here today by President Boris Yeltsin of the Russian Federation. The Russian Federation, together with North Ossetia and the Republic of Georgia, together with South Ossetia, and on the basis of the close historical ties among the peoples living on the territories of these states and of their aspiration to ensure guaranteed protection of human rights, must unite their efforts to develop friendly relations and mutually advantageous cooperation.

The sides must condemn the provoked deterioration of the situation in South Ossetia and the creation in this region of an atmosphere of emnity and bloodly confrontations that have resulted in numerous human victims and tragedy for a whole people.

Today, joint actions are needed to eliminate as soon as possible an extremely dangerous seat of tension, to prevent the disruption of law and order, and to curb the terrorist activity of all illegal armed formations on the territory of South Ossetia and adjacent areas.

In this connection, I propose that a joint multilateral commission be set up immediately to work out practical measures and coordinated solutions to questions of normalizing the situation in South Ossetia, having called on the opposing sides to stop all armed clashes for this period.

The Russian Federation is ready for any joint measures to settle the situation and to provide assistance in removing the tension in South Ossetia which could form

the basis for the development of a treaty-making process between the states in the interests of the peoples of Russia, Georgia and the Caucasus as a whole.

14th Army Withdrawal From Moldova 'Impossible'

OW0806143192 Moscow INTERFAX in English 1407 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] The withdrawal of the 14th army from Moldova is physically impossible at the moment, General Nikolay Stolyarov, an aid of the CIS Armed Forces' Commander-In-Chief Shaposhnikov, told IF [INTERFAX] correspondent Marina Chernukha. Not long ago, General Stolyarov visited the area of combat operations in the Dniester region.

The general believes that, if an attempt is made to withdraw the troops from this region, the Dniester leaders will instantly put the whole of the army under its jurisdiction. Near the check point of the 14th army thousands of women, old people and children are holding a sit-in in protest against this army's withdrawal. Besides that, most of the 14th army's soldiers and officers sympathize with the defenders of the Dnietser region, said General Stolyarov. Moreover, the servicemen of the 14th army will get confronted with enormous problems in Russia where more than 200,000 officers are unemployed now.

General Stolyarov is convinced that following the withdrawal of the 14th army from the conflict region, the situation in it will deteriorate because this will give Chisinau armed formations full scope. He said that a delegation of the CIS republics, respected by both of the conflicting parties, should be sent to the region. It is not late yet to hold talks, he said.

'Gradual' Withdrawal Confirmed

OW0506224592 Moscow INTERFAX in English 1747 GMT 5 Jun 92

[Transmitted via KYODO]

[Text] A high-ranking official in the Russian Foreign Ministry, directing relations with Moldova told IF [INTERFAX] that Russia wants the military conflict in the Dniester region to end as soon as possible.

Regarding the 14th Army, the diplomat confirmed Russia's plan to withdraw the army from the conflict zone. However, he said the withdrawal must be gradual.

The diplomat said the 14th Army is in the region to stabilize conditions, although the conflicting sides continue their attempts to draw the army into the conflict.

The diplomat said that is is not too late to find a preaceful solution to the conflict and said he approved of quadrilateral talks to end the conflict.

Ministry Vows To 'Protect Russian Servicemen'

LD0806135592 Moscow ITAR-TASS World Service in Russian 1133 GMT 8 Jun 92

[Text] Moscow, 8 Jun (ITAR-TASS)—"Recently unjustified claims about an occupationist character of the Russian forces that are stationed on their territories are being made in the speeches by leaders of a number of states which have been created from the former USSR. Moreover, deliberate provocations are been carried out against Russian servicemen," says a statement from the Russian Federation Foreign Ministry circulated here today.

The Russian side, the document notes, adheres to the idea of resolving issues regarding the withdrawal of such forces by negotiation.

The statement underlines that "Russia will not remain indifferent to offensive behavior toward Russian servicemen and will protect their interests in the most determined way."

Relations, Negotiations With Baltics Viewed

PM0806104192 Moscow ROSSIYSKAYA GAZETA in Russian 27 May 92 First Edition p 7

[Observer Ayder Kurkchi article: "Shadow From the West"]

[Text] Politicians in the Baltic republics who have entered the historical arena thanks to their uncompromising struggle against the Soviet empire are now insisting on the immediate withdrawal of the Russian Army, which has been taken under the jurisdiction of the Russian Government. Hard-liner V. Landsbergis is invariably traditional: The Russian Army must go this year, preferably straightaway, before the referendum on withdrawing the troops is held in June. Referendums in the former empire are as frequent as fall frosts, and whatever the outcome of this vote V. Landsbergis will have further confirmation of popular support, because the troop withdrawal trump card cannot fail.

With a stubbornness familiar to us from history, Latvia proposes that the terms "occupier" and "army of occupation" be introduced into the protocol on the talks. These are words terrible to pronounce, but the logic of stubbornness forces one to calculate that there simply has been no period in history when Latvia and Estonia have been free of occupation. Not counting the 20 years between 1920 and 1940, when national statehood was proclaimed and quickly extinguished, everything is stained with the history of occupation. The Russian Army has been in Latvia and Estonia since the beginning of the 18th century, and for five centuries before that they were swarming with German military colonies and the staging posts, barracks, and castles of the German, Polish, and Swedish armies. To a certain extent this also affected Lithuania, the only one to experience an unforgettable period of royal splendor and prosperity, which ended with the demise of the Rurikoviches in Moscow.

The three republics have never been as free as they are now, in spring 1992: Neither in 1922, nor in 1939, when they were crushed by claims from all sides. Nevertheless, "the army is an impediment."

It is, of course, terrible to endure foreign troops on your territory if they have indeed occupied it. Although the U.S. Army in the Philippines, for example, brings this independent state an income of $2 billion and it is in no hurry to lose this income. The USSR leased a foreign base in Finland, at Porkkala-Udd, without any complications. That is obviously because the peoples of these countries felt and feel themselves to be really free, rather than roused to struggle for freedom. Soviet—now Russian—troops are leaving Germany, as they left Austria in the past, without being labeled "occupiers." Withdrawing troops is a difficult, unrelenting task to which both sides must adapt, and the most realistic attitude now is to give the army that is leaving (and leave it will!) time to reorganize and station itself elsewhere. This is both possible and normal if there is no war and if the inhabitants of the country which the soldiers are leaving are free in their actions.

But there is going to be a referendum in Lithuania 14 June. The Russian Army (which has also fed quite a few local inhabitants by virtue of its presence, incidentally) must go, leaving everything behind, with abuse and the words "pack your bags and get on the next train to Russia" ringing in its ears.

History rarely goes according to politicians' statements. V. Landsbergis is unlikely to want to be compared to F. Castro, but their behavior is identical: It is provocative and based on the presumption of enmity as the basis of everyday actions. By stirring up the population and setting columns of peasants and city dwellers against foreign bases—Guantanamo in Cuba or the Russian Army garrisons in Vilnius and Klaipeda—it is easy to resort to the casual, unprofessional methods of power-hungry politicians. It is no accident that, while building different models of republicanism, both Castro and Landsbergis are inclined toward oligarchic government of the Latin American type. And so, it is international practice not to hold talks on the status of troops' presence in countries where the powers of the authorities insisting on driving out garrisons have yet to be ascertained and where free elections have yet to be held. The Americans do not countenance such talks.

This dog-in-the-manger attitude is intended to strengthen the regime of personal power. But the premise on which the policy of intolerance toward the Army is based is so flawed that it should be bluntly stated. The clearer and more definite the terms on which the West is prepared to give Russia international financial aid become, the more difficulty there is in holding talks on the problems of the Army's presence in the Baltic republics. At first glance, there would appear to be no connection between the actions of the IMF and the conduct of military-political delegations from the Baltic states, which are demonstrating an increasingly defiant ability to base their statehood on purely nationalist ideas. In fact, it is highly likely that the Baltic leaders are deliberately and systematically linking their policies to the West's abilities and intentions to give Russia assistance.

The Baltic republics' independence from Russia as the residue of the USSR will inevitably be proportional to their dependence on the West, because otherwise they will be unable to firmly distance themselves from the Baltic region's historical links with Russia. Consequently, the more the West is prepared to join in cooperation with Russia, the more obstinacy and total "adherence to principle" the trio of Baltic states are prepared to demonstrate.

Moreover, the Baltic republics see these maneuvers as an obvious opportunity to suggest to the West that they can act as patron of Western interests—provided other people's money is used, of course—and as a kind of governor who knows how to teach his clumsy eastern neighbor the rules of "international communal life." That much has been made clear, albeit warily, by former Estonian Foreign Minister L. Meri, and rather more crudely by others. Furthermore, according to the heralds of national movements, the Baltic must play its own historical mission and become a focal point for Eastern and Western interests, or, to be more precise, play the role of intermediary receiving its share of the benefits of its geographical location.

However, the West does not yet seem prepared to consider the Baltic's ideas about its intermediary function in relation to the "Wild East." Consequently, the gathering shadow of Western aid and impending investment in Russia is troubling Baltic politicians greatly and forcing them to gamble on increasing their own clout. They also have a more secret interest. If credits help to set Russia on its feet, the Baltic economy will have to forge ties with the economic space of its eastern neighbor. The Baltic republics will be forced to share a common economic destiny with Russia again. This frightens them no less than the presence of the Russian Army, and perhaps even more. The danger is real.

There are no resources in the Baltic states and Western capitalism is not very greedy for territory where there are no raw materials, plentiful manpower, energy sources, or even the semblance of a proper mechanism of economic management. So what can they hope for? The diaspora of "indigenous peoples" in America and Europe is weak, and the economic potential of businessmen of "indigenous nationality" in other countries offers little comfort.

In these conditions, the politicians who have ascended the political podium on a wave of nationalism can either tackle the economy and really concern themselves with the good of their people, or, if they do not have the ability for this, stir up the people with nationalist slogans again. Judging by the fact that they have chosen the second option, there is no point in expecting constructive policies from this generation of political leaders in

the Baltic republics. We can only assume that the people themselves, tired of hoping, will set their leaders right.

Further on Troop Withdrawal Talks With Estonia

OW0806134392 Moscow BALTFAX in English 1304 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] The Russian delegation can resume its constructive talks with Estonia on the withdrawal of the ex-Soviet troops from its territory, said Vasily Svirin who heads Russia's delegation at the talks with Estonia in an interview for Interfax Monday [8 June].

On May 3, Estonia unilaterally suspended its talks with Russia on the issue of troops withdrawal due to Moscow's recalcitrant position. Estonia insists that troops withdrawal from the republic be completed by the end of 1993, from Tallinn by the end of 1992. Russia, on the other hand, insists that it would be capable of withdrawing its troops in the period from 1994 to 1997.

Vasily Svirin expressed regret over the Estonian position and noted that such a decision could only procrastinate the talks. The Russian diplomat maintained that the troops withdrawal had already begun. In his words, as of June 1, Russia had withdrawn from the republic 12 of the ex-Soviet units. Notwithstanding that, Mr Svirin asserted that in the opinion of the Russian side, complete troops withdrawal cannot be accomplished earlier than 1997.

Landsbergis Calls Yeltsin Meeting 'Amicable'

LD0506175492 Moscow ITAR-TASS World Service in Russian 1640 GMT 5 Jun 92

[By ITAR-TASS correspondent Gennadiy Talalayev]

[Text] Moscow, 5 Jun—Vytautas Landsbergis termed today's meeting with Russian President Boris Yeltsin "very good, amicable, friendly and specific."

Replying to journalists' questions after the meeting, he said that "it is always very easy" to hold talks with Boris Yeltsin. "On the whole range of issues we have come to simple fundamental decisions and accord," Landsbergis noted. In the economic sphere such important problems as oil supplies for the second half of the year, and mutual accounts which have not been settled and which do not allow for the financing of commodity circulation have been resolved.

An agreement has been reached on Russian compensation from July this year for private deposits of Lithuanian citizens in the USSR Bank for Foreign Trade.

The withdrawal of Soviet troops from Lithuania was also discussed. According to Vytautas Landsbergis, Boris Yeltsin said that indeed there is no movement in this matter and promised to give instructions that schedules for withdrawing troops be prepared.

The Lithuanian leader said that after the meeting with Boris Yeltsin in January this year, practically nothing had moved forward in this matter. "We have agreed to meet more often in order to give impetus to our contacts." "In future we will continue to discuss the issue of the troop withdrawals."

Touching upon the problem of the Russian-speaking population in Lithuania, Vytautas Landsbergis said that they "have resolved" this matter "in the best possible way." He referred to a treaty with Russia signed last year which contains mutual obligations on the issue of human rights. According to Vytautas Landsbergis, a Russian Embassy will open in Vilnius soon and "there will be no misunderstanding there."

Foreign Ministry Spokesman Gives Briefing

LD0906135692 Moscow ITAR-TASS World Service in Russian 1245 GMT 9 Jun 92

[By TASS diplomatic correspondents Sergey Skripnikov and Sergey Staroselskiy]

[Text] Moscow, 9 Jun—In the course of the forthcoming meeting between Russian President Boris Yeltsin and U.S. President George Bush, an exchange of views is expected on the most important current international situation issues, one being the crisis in Yugoslavia. This was announced at a briefing by Sergey Yastrzhembskiy, head of Information and Press Department of the Russian Foreign Ministry.

Answering journalists' questions on events in Yugoslavia, the Foreign Ministry spokesman said he has not seen any "official documents, assurances or appeals" with regard to rumors alleging an intention to take Sarajevo airport with the use of military force. "Everything that is being disseminated in this respect is but guesswork by the press," Sergey Yastrzhembskiy said.

The diplomat emphasized that the Russian side proceeds from "the absence of double standards in relation to all republics that have been formed on the territory of Yugoslavia." "It is to be assumed, he said, that it is understood in Croatia that the UN Security Council resolution on sanctions applies to all parties endowed with the responsibility for settling the crisis in Bosnia-Hercegovina, Croatia being among them."

NACC Results 'Highly' Assessed

LD0906122292 Moscow ITAR-TASS in English 1145 GMT 9 Jun 92

[By ITAR-TASS diplomatic correspondents Sergey Skripnikov and Sergey Staroselskiy]

[Text] Moscow June 9 TASS—The Russian Foreign Ministry highly assesses the results of a session of the North Atlantic Cooperation Council [NACC] and the extraordinary conference of states-parties to the treaty on conventional armed forces in Europe held in Oslo last Friday [5 June], according to a spokesman of the ministry.

The documents adopted there and the discussions themeselves show that all participants are deeply interested in providing security and stability in Europe, Sergey Yastrzhembskiy told reporters on Tuesday [9 June].

Of special importance is the intention of members of the Cooperation Council to increase the authority of the CSCE institution in preventing crises and providing for their peaceful solution, including peace-keeping functions, the spokesman said.

"We believe that the final document of the extraordinary conference makes a considerable contribution to the process of entering into force of the treaty on conventional armed forces in Europe", Yastrzhembskiy said, adding Russia attaches great importance to the document which defines the future military-political developments on the continent.

The Cooperation Council enters a new stage of development, i.e. concrete interaction in all directions, and Russia will give it an all-round support, the spokesman said.

Former USSR States Viewed

LD0906122792 Moscow ITAR-TASS World Service in Russian 1200 GMT 9 Jun 92

[By ITAR-TASS diplomatic correspondents Sergey Skripnikov and Sergey Staroselskiy]

[Text] Moscow, 9 Jun—The Russian Foreign Ministry attributes prime importance to relations with the states that used to be part of the former Soviet Union. Spokesmen for the Russian foreign policy department in these countries declared this at a briefing today. There was another common thought voiced at the briefing: Russia must not await the development of events or propose mediation in the "hot spots " of the former USSR, but must come forward itself with specific initiatives to overcome regional conflicts. The main thing, those taking part in the briefing stressed, is to understand the essence of the existing disagreements, and try to find ways to reach compromises.

Many questions from journalists concerned relations between Russia and Ukraine. Yuriy Dubinin, special representative of the Russian Federation at the talks with Ukraine, reported that fundamental agreement had been reached already on a meeting between Boris Yeltsin and Leonid Kravchuk in Dagomys (the Caucasian Black Sea coast). The date and agenda are being determined. Yuriy Dubinin underlined that the Russian side intends to adhere to a line of friendship and cooperation with the fraternal people of Ukraine. He said that the "Crimean issue must become not an apple of discord, but on the contrary, a symbol of mutual understanding."

Former U.S. President Nixon Meets With Yeltsin

LD0406172192 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1400 GMT 4 Jun 92

[From the "Novosti" newscast]

[Text] Russian President Boris Yeltsin today received in the Kremlin Richard Nixon, former U.S. President and honorary chairman of the Fund for Democracy and Development, a nongovernmental and noncommercial organization advocating the granting of aid to CIS countries. This is Nixon's eighth visit to our country since 1959.

Discussing the question of Western aid, Nixon said the mass of investment should come from private sources and, as the former president put it, if Russia adopts legislation to guarantee foreign capital investment and there is also political stability, up to $300 billion of capital investment in the Russian economy can be expected in the next three years.

Meets With Grachev

PM0806142792 Moscow KRASNAYA ZVEZDA in Russian 6 Jun 92 p 1

[Unattributed report: "Meeting in Moscow"]

[Text] Army General Pavel Grachev, Russian Federation defense minister, met 5 June with former U.S. President Richard Nixon, who is in Moscow. They had a frank discussion during which they discussed various aspects of multifaceted Russian-U.S. relations and other issues of mutual interest.

Army General Grachev told his American guest about the Ministry of Defense and the Russian Federation Armed Forces that are being established, noting that the ministry structure was examined and then ratified by Russian President B.N. Yeltsin at a Security Council session held the other day. Specific selection of candidates to fill the vacant posts in the Defense Ministry's leadership team is currently under way. It is intended to select candidates by competitive means and approve them at a session of the Security Council. The defense minister briefed the former U.S. president on the problems which the Russian Armed Forces are encountering in the present complex political situation and the projected ways of resolving these problems.

Richard Nixon made a high assessment of the quality of Russian officers, stressing that he has a deep respect for people who selflessly serve their Fatherland. The American guest wished Russian servicemen success in their difficult military work.

The meeting was held in a warm and friendly atmosphere.

Hijacker Killed After Demanding Turkish Flight

LD0806131992 Moscow ITAR-TASS World Service in Russian 1123 GMT 8 Jun 92

[By CRIME-PRESS correspondent Sergey Bryantsev for TASS]

[Text] Moscow, 8 Jun—Between midnight and 0100 today, duty officers of law-enforcement agencies in the capital received the following report: "A TU-154 aircraft on a service flight from Groznyy to Moscow has been

seized by an unknown person. The hijacker is demanding that the aircraft head for Turkey, or he will blow it up."

Measures were taken to make it possible for the aircraft to land at Vnukovo airport [in Moscow]. Special-purpose police troops had arrived earlier, and went into action to free the hostages. During the operation, the hijacker, who was armed with an F-1 grenade, was killed. The press service of the Russian Security Ministry's Moscow city and Moscow oblast department reported that the hijacker was Ramazan Khuseynovich Mamiyev, a citizen of the former Chechen-Ingush republic, who was born in 1961. There were no casualties among the passengers and crew.

Conditions for Yeltsin's Turkish Visit Noted

OW0906114592 Moscow INTERFAX in English 1113 GMT 9 Jun 92

[Report by Igor Porshnev and others from "Diplomatic Panorama"; transmitted via KYODO]

[Text] Boris Yeltsin's official visit to Turkey will take place the moment cicumstances allow, a senior exectuive of the Russian Foreign Ministry told DP [Diplomatic Panorama]. He said that propsects for combining Yeltsin's visit to Turkey and the signing of the Declaration on the Black Sea Cooperation in Istanbul on June 25 has not been considered yet.

The one-day conference will be attened by 6 former Union republics: Russia, Ukraine, Georgia, Moldova, Armenia and Azerbaijan. The declaration will also be signed by Turkey, Bulgaria and Romania. The wish to participate in the conference has also been expressed by non-Black Sea states: Greece, which will represented by its prime minister, and Yugoslavia.

The Russian diplomat said that former Yugoslavia participated in drafting the Declaration on Black Sea Cooperation. It is not clear, however, whether Yugoslavia will be representated at all, and if it will, by whom.

The Russian expert also said that while in Istanbul, the leaders of the Black Sea states may hold bilateral talks. "Whether or not such bilateral talks take place will depend on the will of these leaders," he said.

He also noted that the Istanbul declaration will specify the "principals and goals" of multilateral cooperation in the Black Sea basin. Such cooperation will develop on the governmental level and, largely, through non-governmental channels.

The Black Sea states intend to cooperate in transportation, tele- communication, environmental protection, agriculture and tourism. The Russian diplomat believes that such cooperation is extremeley promising.

Envoy Denies Story on Palestinians' Arrest

PM0806155792 Moscow PRAVDA in Russian 6 Jun 92 p 4

[Interview with Musa Mubarak, counselor at the Palestinian State Embassy in Russia, by diplomatic observer Sergey Svistunov; place and date not given; under the general heading "Behind the Scenes of Events": "Terrorists on the Neva Turned Out To Be Phantoms"]

[Text] In an article headed "Mistaken Address," published in PRAVDA 30 May, we promised to tell our readers, in the words of a Palestinian diplomat who had come to St. Petersburg and who was conducting an official investigation, what actually happened in the city on the Neva, where it is alleged—and the instigator of this pseudo-scandal is NEZAVISIMAYA GAZETA—that local security officers arrested "three or four students of Palestinian origin at the very moment when they had virtually completed preparations for a series of terrorist acts against diplomats at a number of Western consulates in St. Petersburg." We are keeping our word: Our interlocutor is Musa Mubarak, counselor at the Palestinian State Embassy in Russia.

[Mubarak] To begin with, I would like to bring to your notice the official announcement by the Press Service of the Russian Federation Security Ministry's Petersburg Directorate, which, strictly speaking, served as the starting point for the highly exaggerated fantasies of NEZAVISIMAYA GAZETA stringer Denis Gurinskiy. Here is the text published in SANKT-PETERBURGSKIYE VEDOMOSTI 19 May this year.

"Yesterday, the Service for Combatting Terrorism and the Investigation Service of the Russian Security Ministry Directorate for St. Petersburg and Oblast launched an inquiry into allegations of unlawful activity on Russian territory by representatives of a number of Arab countries. Searches and interrogations of foreigners have been conducted in respect of this case."

As you can see, this text did not even mention Palestinians. Nor did it mention preparations for terrorist acts. In Gurinskiy's hands, the phrase "searches and interrogations of foreigners" became "a raid on St. Petersburg's Arab circles." This is simply ridiculous—checks and arrests according on ethnic grounds. We are not in Hitler's Germany at the time of the "Third Reich"!

Unfortunately, by mentioning "representatives of a number of Arab countries," the Russian Federation Security Ministry Directorate document also went too far, so to speak. Even the phrase "unlawful activity" can be interpreted very broadly.

Immediately following the article's appearance in NEZAVISIMAYA GAZETA 22 May, our embassy's ambassador extraordinary and minister plenipotentiary, Mr. Said Abu-Imarah, sent me to St. Petersburg to investigate the story first hand. A group of Arab journalists also went there, including Sami Imarah from the

newspaper AL-SHARQ AL-AWSAT, Ahmad al-Haj from the newspaper AL-HURRIYAH, and others.

Around 200 Palestinian students are involved in courses at St. Petersburg's higher education institutions. They were all where they were meant to be, and nobody had been detained, as Boris Koptev, chief of the St. Petersburg City Soviet Administration for Foreign Student Matters Near East Department, confirmed officially. We also visited the State Committee on Public Education and, naturally, the Russian Security Ministry Directorate for St. Petersburg, where we talked to a number of officials, including Directorate Press Service Chief Yevgeniy Lukin.

At first, we were informed that Kurds had been arrested. However, in the final analysis it emerged that the prison cells housed only one man—an Arab citizen, but it was decided that neither the name nor the identity of the arrested man (who is not a Palestinian) should be published just yet: An inquiry is in progress. No kind of terrorism is mentioned: It is a wholly **administrative** infringement of the law which of course could, if so wished, be interpreted as criminal. Moreover, his is a common misdemeanor, rife throughout the world: The documents entitling the man to stay in the country had expired. Furthermore, he was detained not as the result of a raid, but during an attempt to leave Russian territory for Scandinavia.

Another statement by the Russian Federation Security Ministry Directorate appears in SANKT-PETERBURGSKIYE VEDOMOSTI 28 May, in which the picture is painted in full. Here is a slightly shortened version of the text.

"Legal proceedings were instigated 18 May this year in respect of a foreigner who was present in the country in an illegal capacity and had tried to travel abroad by sea transport: The necessary investigative actions were carried out on this case. The aforementioned foreigner was arrested.

"In the light of certain published reports, in particular in NEZAVISIMAYA GAZETA (No. 96 of 22 May 1992), the Press Service of the Russian Security Ministry's Petersburg Directorate declares in respect of this case that the report on raids on St. Petersburg's Arab circles and the arrest of three or four students of Palestinian origin at the moment they were preparing a 'series of terrorist acts against diplomats in a number of Western consulates' does not correspond to reality and derives from the authors' imaginations."

On that same day V.I. Trubnikov, first deputy director of the Foreign Intelligence Service, expounded these facts at a briefing at the Russian Foreign Ministry Press Center. Again, 29 May, a curious detail emerged from an interview by A.V. Kuznetsov, chief of the Service for Combatting Terrorism of the Russian Security Ministry Directorate for St. Petersburg and Oblast, which he gave to the very same SANKT PETERBURGSKIYE VEDOMOSTI: ".... the very same prison where a representative of one of the Arab countries is being detained also holds an Israeli citizen with very broad criminal international links. He is accused of committing a number of crimes."

[Svistunov] Have you tried to meet with the actual author of this "scandal?"

[Mubarak] Of course, but we only managed to talk to him over the telephone. Gurinskiy made a specious excuse for not meeting in person.

Naturally, we lodged a protest with NEZAVISIMAYA GAZETA's chief editor, V. Tretyakov, and appealed in a letter to Russia's security minister.

I would like to conclude this journalistic investigation with excerpts from the 1 June official statement by the Palestinian State Embassy in Moscow.

"As a result of verification, it has become known that not a single Palestinian student, either in St. Petersburg or in any other city in Russia or the entire CIS, was ever arrested by the Russian security services on charges of preparing terrorist acts....

"The embassy is of the opinion that such reports pursue the aim of defaming Palestinians in the eyes of public opinion in Russia and the international community and seek to hang a terrorist label on representatives of our nation, whose leadership, in the form of the PLO, has repeatedly and unequivocally declared its resolute condemnation of terrorism in all its manifestations and expressed support for the peace initiative directed at resolving the Arab-Israeli conflict through peaceful means....

"The Palestinian State Embassy sincerely hopes that the Russian media will stick only to verified acts in subsequent material concerning Palestinians, proceeding from the principles of journalistic honor."

Rutskoy Comments on Latin American Relations

LD0806140792 Moscow ITAR-TASS World Service in Russian 0610 GMT 8 Jun 92

[By ITAR-TASS special correspondent Andrey Kurguzov]

[Text] Rio de Janeiro, 8 Jun—Relations with Latin America occupy an important place in Russia's foreign policy, Russian Vice President Aleksandr Rutskoy stated in an interview published on 7 June in the Brazilian O GLOBO newspaper. The relative similarity of political and socio-economic processes in Russia and certain Latin American countries forces us to look closely at each other, the vice president remarked. We are closely following the economic transformations occurring in the countries of the continent and the processes of regional and interregional cooperation. Unfortunately, economic and trade links between Russia and Latin America are inadequate, but there is insufficient will to develop

them, said Rutskoy. He voiced the hope that opportunities to expand trade cooperation will increase as Russia gets out of economic crisis.

Touching on relations with Brazil, Rutskoy stated that friendship and mutual respect between our countries stood the test of time during the era of ideological and military and political confrontation. The leadership of the renovated democratic Russia attaches great importance to relations with Brazil although, one has to admit, bilateral relations in various spheres of cooperation are not totally equal. The development of trade links with Brazil is of great interest to the Russian Federation. For this it is necessary to increase the activity of Brazilian enterprises and businessmen on the Russian market, and to stimulate investment and the setting up of joint ventures, and we hope for reciprocity from the Brazilian side in this matter, the vice president emphasized.

In response to a question on the ecological situation in Russia, Rutskoy said that in the course of many decades an egotistical attitude to the environment prevailed in the country, which was expressed in extreme industrial construction and collectivization. We have inherited an economy which in practice ignored ecological aspects. As a result, the state of Russian nature can be described as extreme - approximately 15 percent of Russian territory constitutes ecologically unfavorable regions, primarily because of the radioactive contamination of the locality, and poisoning of the water and the atmosphere. At present only one percent of gross national product is being allocated to removing these consequences, but we hope that this percentage will increase with the economic upswing of the country, Rutskoy noted.

On the UN conference on the environment and development, the vice president said that he is leaving for Rio de Janeiro on the orders of Russian President Boris Yeltsin with a package of specific proposals and an action program. The Russian leadership is in favor of constructive international cooperation in the sphere of ecology.

Rutskoy voioced confidence in the success of the conference, which is to be the point of departure for the natural revival of the planet, and he underlined that in questions of ecology, as in questions of disarmament, it is necessary to take a gradual approach. The tragedy of Chernobyl must not be repeated. This requires a unification of the efforts of all mankind, the vice president emphasized.

Rutskoy Continues Talks, Meetings in Venezuela

Meets Air Force Leaders, Farmers

LD0806122292 Moscow ITAR-TASS World Service in Russian 0556 GMT 8 Jun 92

[By ITAR-TASS correspondent Vadim Chistkov]

[Excerpt] Brasilia, 8 Jun—Russian Federation Vice President Aleksandr Rutskoy, who is in Venezuela on a working visit, on 7 June, met this country's Air Force commanders and visited an Air Force base. Chairman of the delegation Andrey Fedorov told ITAR-TASS over the telephone that Rutskoy discussed the infrastructure and organization of the Venezuelan Air Force, and the equipment used by it.

The same day, Rutskoy also met representatives of the farming industry to examine how to build contacts between the two countries' private farmers. Russian Federation representatives visited a number of companies involved in agricultural equipment and examined their production practices.

Today the Russian vice president is to visit the Congress and meet the leaders of both chambers. He and his delegation are due to depart for Argentina today. [passage omitted]

Calls For Greater Cooperation

LD0906060892 Moscow ITAR-TASS World Service in Russian 1637 GMT 8 Jun 92

[By ITAR-TASS special correspondent Aleksandr Mineyev]

[Text] Caracas, 8 June—Russian Vice President Aleksandr Rutskoy advocates that Russia should be integrated more actively with the countries of Latin America, Asia, and Africa instead of selling its products "to the West for a song."

Talking to Russian journalists at the end of his 4-day visit to Venezuela, he voiced the opinion that in this country there are most favorable opportunities for broad economic cooperation.

Among specific prospects of cooperation, the vice president named Russian participation in the construction in Venezuela of a hydrostation in which Russian technology had reached great heights. Russia's fulfillment of Venezuela's obligations for deliveries of oil to Europe, in exchange for similar services by Venezuela in the Western hemisphere, gave our country a profit of about 200 million dollars per year.

Previously Russia's relations with countries of Latin America, the vice president considers, were more of a symbolic nature. Their real development requires the interest of enterprises, entrepreneurs, and workers. The administrative mechanism of doing business via ministries is ineffective.

Apart from oil, Rutskoy stressed, Venezuela and Argentina possess rich potential for successful cooperation with Russia in the field of agriculture. In Argentina, where the vice president arrives this evening, he said he would do everything possible to restore and further increase the scale of deliveries of its agro-industrial output to Russia.

Rutskoy said it was not fortuitous that he chose these two countries for his Latin American trip. They are the

leading states of the continent, states with which Russia would cooperate in the oil and agrarian sectors.

As for participation in the Rio de Janeiro UN world conference on environment and development, where the Russian delegation will arrive on 11 June, Rutskoy announced that he had some "interesting initiatives and proposals" to take there.

Concludes Visit

LD0906061592 Moscow ITAR-TASS World Service in Russian 1626 GMT 8 Jun 92

[By ITAR-TASS special correspondent Aleksandr Mineyev]

[Excerpts] Caracas, 8 June—The search for ways and forms of more active economic cooperation, especially in oil extraction and refining, were the main subject of a four-day visit by Aleksandr Rutskoy, the Russian vice president, to Venezuela, which ended today.

After the first meeting with Venezuelan President Carlos Andres Perez, Rutskoy, replying to journalists' questions, described this visit as a very important one—not only in the matter of economic cooperation, but also in exchange of experience in regulating political processes in the period of a transition to a market economy and the democratization of society. Both sides constantly emphasized the similarity of these processes in Russia and Venezuela at the talks. The subject of oil was given priority. Income from the sale of oil and petroleum products constitutes the basis of the state budgets of both Russia and Venezuela. [passage omitted]

Rutskoy accepted a proposal by Perez to send to Venezuela a large group of Russian oilmen who in the process of their work, would be able to acquire advanced experience here. The Venezuelan president expressed the opinion that the new Russia would be able to take part in the OPEC conference which is to take place in Norway 2-4 July. Prospects for cooperation were discussed at a meeting Rutskoy had with the management of the state Petroleos de Venezuela company, during his visit to the oil deposits at Lake Maracaibo and in conversations with representatives of financial circles.

Rutskoy also took part in the festive opening of Russia Days in Venezuela. They are being financed by Russian business circles. They will go on for a month and will include meetings of businessmen, an exhibition of motor vehicle and tractor equipment, and performances by well-known arts collectives and the Yudakshin fashion house.

Rutskoy Arrives in Argentina for 3-Day Visit

LD0906062392 Moscow ITAR-TASS World Service in Russian 0436 GMT 9 Jun 92

[By ITAR-TASS correspondents Yevgeniy Alekseyev and Aleksandr Mineyev]

[Text] Buenos Aires, 9 June—A. V. Rutskoy, vice president of the Russian Federation, arrived in the Argentinian capital on 8 June for a three-day working visit. This is the first visit in the history of relations between Argentina and Russia at such a high level. Rutskoy will be received by President of Argentina Carlos Menem, will meet other officials, and will speak at a joint sitting of foreign affairs commissions of both chambers of the national congress. The program of his stay in Argentina also envisages meetings with local entrepreneurs, and, in particular, a visit to the Buenos Aires grain stock exchange and to a number of agricultural enterprises in Cordoba Province. Further expansion of trade and economic cooperation between the Russian Federation and the South American country, which has a vast experience in developing agricultural industries, is to be discussed in the course of the visit.

The visit by Rutskoy is taking place within the framework of his tour of a number of Latin American countries. He started the tour by visiting Venezuela. After completing his visit to Argentina, the vice president will take part in the UN Conference on Environment and Development, which is under way in Rio de Janeiro.

U.S. Stance on ASEAN Move Assessed

PM0506150992 Moscow KRASNAYA ZVEZDA in Russian 3 Jun 92 p 3

[V. Viktorov article: "Manila Is Opposed...."]

[Text] There was a time when Washington earnestly cajoled ASEAN members on the subject of turning this regional grouping into a military-political bloc. It did not come off. Such attempts seemed to have been left in the past, but then a report came out of Manila a few days ago that the United States will welcome ASEAN's conversion into a military bloc. This was what Admiral C. Larson, commander of the U.S. Pacific Fleet, declared. He did so after a meeting with President Corazon Aquino of the Philippines. The United States, the admiral said, will establish close relations with this bloc in the military sphere. It should be pointed out that Washington's military ties with ASEAN countries are at present founded on a bilateral basis.

According to the Pacific Fleet commander, the U.S. desire to see the ASEAN grouping converted into a military-political bloc has been occasioned by the elimination of the Pentagon's bases on the Philippine Archipelago. Even he himself was forced to admit, however, that this position of Washington's is not yet meeting with support from Manila. This is particularly so because the Philippines, as R. Manglapus, this country's foreign minister, declared, sees the possibility of strengthening regional security not in the galvanization of military activity but by way of expanding cooperation among the states of the Asia and Pacific region. In confirmation of this, he reported that Laos and Vietnam will participate

for the first time in the ministerial-level ASEAN conference to be held in Manila at the end of July. In addition, Russia has also been invited to that meeting.

Therefore, as a spokesman for the Russian Federation Foreign Ministry declared, with the end of the era of bipolar military confrontation, the stereotyped way of looking at the region through the prism of closed military groupings appears an annoying anachronism. As for Russia, it has always proceeded from unconditional respect and support for ASEAN's repeatedly declared intention to play a prominent role in the economic and political life of Southeast Asia and the Asia and Pacific region.

Further on Protest Over PRC Border Incident

OW0806210892 Moscow Radio Moscow in Mandarin 1200 GMT 8 June 92

[Text] An incident stranded three fishermen from a small fishing enterprise in Russia's Jewish Autonomous Oblast on the Chinese river bank for three days. These fishermen were trying to stop Chinese poachers from setting up nets in Russian territorial waters on the Amur River. They were not only beaten up but were taken by the Chinese to the bank on the Chinese side. They were returned to their country today.

Colonel Sukharev of the Russian border detachment said: The Chinese fishermen violated border regulations and the norms of international law.

Leaders in charge of Far East border defense have made an official statement to the Chinese authorities regarding the illegal acts of the Chinese citizens.

Japanese Group Uses Radio Moscow Frequencies

OW0606063692 Moscow Radio Moscow in Japanese 1300 GMT 8 May 92

[Commentary by Radio Moscow Division Chief (Meidin)]

[Text] Omu Shinri Kyo [a religious group in Japan] has made broadcasts on Radio Moscow frequencies. In this connection, Japanese Division chief (Meidin) of Radio Moscow comments as follows:

[(Meidin)] The Omu Shinri Kyo broadcasts have become an unpleasant topic among all members of the Japanese division of Radio Moscow, including me, and I would like to explain the situation to our listeners in Japan. On 2 April, I received a telephone call from Radio Moscow correspondent (Copi) in Tokyo. In our conversation, Mr. (Copi) told me that our Japanese listeners recently called him to complain about Omu Shinri Kyo's broadcasts to the Japanese, which began in April, on Radio Moscow's frequencies. I was surprised by his revelations. I asked the technical department of our radio station to check the broadcasts in question, and as a result of the check, we found the Japanese religious group was airing its religious programs from 2300-2400 [1400-1500 GMT] on our radio frequency immediately after our radio ends its programs for Japanese listeners. We also found the religious group to be broadcasting on the 720 kHz frequency from a powerful transmittor in Yuzhno-Sakhalinsk. Thus, the religious group in Japan was broadcasting its religious programs to the Japanese after renting a Russian transmitting station. We also found out a little later that the Japanese religious group was broadcasting on a shortwave frequency that our Japanese division decided not to use after 3 May.

I would like to read to you excerpts from a letter I received from Junsuke Toyama, a listener in Yokohama. In the letter, Mr. Toyama said: On the occasion of the 50th anniversary of Japanese broadcasts by Radio Moscow on 14 April, I would like to extend my personal greetings, and I hope that as an intermediary for promoting friendship between Japan and Russia, Radio Moscow will continue broadcasting in Japanese. Omu Shinri Kyo has broadcast religious programs on the frequency of 15315 MHz from 2300-2400 [1400-1500 GMT], but I have never listened to the broadcasts because they are not worth listening to. I believe that it is better to listen to the programs aired by Radio Moscow than to the religious programs aired by the religious group.

Regarding Omu Shinri Kyo's broadcasts on the Radio Moscow frequency, not only our Japanese listeners, but also IZVESTIYA and KOMSOMOLSKAYA PRAVDA are criticizing the religious group. I would like to say definitely to our listeners in Japan that Radio Moscow has never shared its radio waves and broadcasting time with Omu Shinri Kyo, a Japanese religious organization, and has no intention of doing so.

Radio Moscow broadcasts its programs for Japanese listeners from 1800-2100 [0900-1200 GMT] and from 2200-2300 [1300-1400 GMT], although it has been understaffed and underfunded. The radio has no plans to shorten its broadcast hours.

Frankly speaking, a representative from Omu Shinri Kyo asked our Japanese division to share the frequency and broadcasting time, but we flatly rejected the request. Since our division broadcasts for Japanese listeners, we intend to learn more about Japan's domestic situation and Omu Shinri Kyo; however, we do not want to talk with the religious group about sharing our radio waves and broadcasting time.

To repeat our view, we intend to maintain the relationship of trust with our listeners in Japan, which we have built over the past 50 years. We intend to continue to broadcast good programs for our listeners in Japan in the future. Thank you very much.

CSCE Probe on Latvian Human Rights Sought

OW0906012792 Moscow BALTFAX in English 1901 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] The Russian Foreign Ministry will soon ask the Conference on Security and Cooperation in Europe to look into the cases of human rights abuse in Latvia and the infringement of the rights of those who do not speak Latvian. The statement was made by the first deputy Foreign Minister of the Russian Federation Fedor Shelov-Kovedayev during parliamentary hearings on preparations for the ratification of the treaty on the basics of inter-state relations between Russian and Latvia.

The Russian parliament postponed the ratification of the treaty last December until the settlement of the "question connected with the abuse of the rights of the Russian-speaking population in Latvia".

At the same time Shelov-Kovedayev believes that the ratification of the treaty will enable the Russian Foreign Ministry to conduct a more effective dialogue on the protection of the rights of Latvia's Russian-speaking population. For the time being all questions concerning the legal status are regulated exclusively by Latvia's legislation.

The Latvian embassy to Moscow has issued a statement voicing the hope for Russia's early ratification ratification of the treaty which was ratified by the Latvian side as early as January 15 1991.

Most deputies and the leaders of the Latvian parliament have given the cold shoulder to calls from some members of parliament calling for the denunciation of the treaty and seek strict compliance with its provisions.

Deputies Urged To Ratify Treaty with Latvia

LD0906084392 Moscow ITAR-TASS World Service in Russian 1635 GMT 8 Jun 92

[By ITAR-TASS correspondent Ivan Novikov]

[Text] Moscow, 8 Jun—Fedor Shelov-Kovedyayev, First Deputy Foreign Minister of the Russian Federation, has called upon deputies to ensure the immediate ratification by the Russian parliament of the treaty on the basis of interstate relations between Russia and Latvia. He was speaking in parliament today during hearings on this agreement. The diplomat made it clear that the pause which has dragged on for six months since the ratification of the treaty by the Latvian parliament has not been to ther advantage of the Russian side. "During that time", Fedor Shelov-Kovedyayev said, "the situation has not improved. An active group of deputies has emerged in the Latvian parliament which is demanding the denouncement of the treaty with Russia on the grounds that our state allegedly does not wish to ratify it".

The first deputy foreign minister stressed that the Russian-Latvian treaty is beneficial to both sides. Its ratification by the Russian parliament would help to lift the tension which has arisen to a certain extent. Regarding the progress of the talks process with the Latvian Republic, he pointed out that "the Latvian side is striving to link the discussion of any question with the problem of the withdrawal of Russian troops from Latvia".

Latvian Envoy Comments

OW0806134592 Moscow BALTFAX in English 1304 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] The Latvian Embassy in Moscow informed Baltfax that the Russian Parliament had not invited any of Latvia's representatives to attend the parliamentary hearings on the issues of ratification of the state agreement between Russia and Latvia which began in Russia's Supreme Council this Monday [8 June] morning. "Apparently the Russian parliamentarians believe they can discuss Russia's agreement with Latvia without Latvia's representatives," ruefully commented Petris Vinkelis, the press secretary of the Latvian Embassy. He had to admit, however, that international law does not necessarily provide for such invitations. Therefore, the Latvian side "can live with it", he concluded.

Finland 'Satisfied' With Troop Statement

LD0406105192 Moscow ITAR-TASS in English 0753 GMT 4 Jun 92

[By ITAR-TASS correspondent Arkadiy Prisyazhniy]

[Text] Helsinki June 4 TASS—The Foreign Ministry of Finland said on Thursday [4 June] it is satisfied with the Russian statement that Russian troops and armaments deployed along the border between the two countries would be reduced.

The Russian position corresponds to the general developments in Europe, the ministry said.

Finland intends to undertake adequate efforts to eliminate super-armaments stockpiled during the "Cold War" years in northern Europe, it added.

Finnish Official Says Return of Karelia 'Unwise'

LD0406150392 Moscow ITAR-TASS in English 1448 GMT 4 Jun 92

[By ITAR-TASS correspondent Arkadiy Prisyaznhiy]

[Text] Helsinki June 4 TASS—Speaker of Finland's Parliament Ilkka Suominen called unwise the demand made by certain circles of the country to review post World War II borders with the aim of the return of Karelia. Instead of it, Russia and Finland should agree to a border crossing regulation at a "European level" so as to enable citizens of both countries to visit the adjoining territory with minimum formalities, he said in the city of Kauhava.

Discussion on post-war borders started in both countries are regarded as a positive phenomenon as well, because relations between Finland and Russia at present are

being constructed on a new basis, presupposing an open talk on problems which were ignored in the past. But according to him, talks in Finland about the return of Karelia is of too much "inspired" character. He reminded that there are a lot of territories in Western Europe, the possession of which can be disputed by this or that country on the basis of history, he said.

The speaker emphasised the path to an economic parity and open borders can be very long. But large-scale initiatives within cooperation framework, as well as numerous minor actions, including on behalf of community and individuals can assist in the revival of Karelia.

Touching on the question regarding the deployment of troops, being withdrawn from Central Europe, near the Russian-Finnish border, actively debated in Finland, Ilkka Suominen emphasised, they do not pose any threat to his country. There is nothing to indicate that it is something larger than an ordinary quartering of an armed forces contingent, which is being withdrawn, and disposition of arms, the speaker of the Finnish Parliament said.

Rutskoy Meets Visiting Slovak Delegation

AU0206194692 Bratislava PRAVDA in Slovak 27 May 92 p 9

[Felix Alexeyev report: "From Flying to Fields"]

[Excerpt] Moscow—Vice President Aleksandr Rutskoy's Kremlin study is adorned with the Russian standard and models of combat aircraft. "There are 39 model aircraft; however, there is no room for any more," declares Rutskoy regretfully. The aircraft represent the past of this fighter pilot who suffered along with the other servicemen defending the communist regime in Afghanistan or, as party documents stated, fulfilling their international mission. He fired his aircraft's guns and flew within the range of Stinger missiles. He experienced mujahideen captivity and the glory of receiving the highest military honors.

However, the Russian vice president showed the Slovak National Council delegation headed by Frantisek Miklosko the "model" that characterizes his current mission—agriculture. Rutskoy is fulfilling President Boris Yeltsin's decree: He is attending to the implementation of agricultural reform and is trying to "remold" the military industrial complex's potential in agriculture's favor. Just before this meeting he returned from southern Russia, where he tried to get reform moving and assert new forms of ownership.

"In manufacturing new silos we are using technology that has no parallel in world practice," explained Rutskoy to the delegation's members. "We are producing them in sizes starting from 220 tonnes. The fraction of losses here does not exceed more than one-thousandth. At the same time, the silos come from the very same military industrial complex enterprises in which the Buran shuttle was developed. The silos have been prepared for serial production and, perhaps, interest will also be shown in them in Slovakia."

Agriculture did not dominate the exchange of views; another burning issue—the crisis situation in the republics of the Commonwealth of Independent States—was also discussed. According to the vice president, criminal responsibility must inevitably apply to people suspected of whipping up nationalist passions. "There are politicians who build their careers on the outbreak of crisis situations resulting from nationalistic clashes. The shooting of ordinary citizens in South Ossetia by armed Georgians has nothing whatsoever to do with national sovereignty. This is a manifestation of banditry," stated Rutskoy. "It is the same with the violence in the Transcaucasus and the artillery bombardment in the Dnestr region. No one has given them the right to spill people's blood." In Rutskoy's opinion, conflict could be prevented in the Dniester region if Moldova opted for a federative arrangement.

As far as Russia's internal problems are concerned, he emphasized that first and foremost, Russia must develop itself on the basis of liberal reform, a strong government, and concern for the individual. The transformation process must be supervised. Without supervision, a mere game of democracy accompanied by political dilettantism would begin. [passage omitted]

Shumeyko Views Results of Near East Tour

PM0806111592 Moscow ROSSIYSKAYA GAZETA in Russian 3 Jun 92 First Edition p 7

[Interview with V. Shumeyko, deputy chairman of the Russian Supreme Soviet, by Vitaliy Buzuyev; date and place not given: "Two Easts—One Market"]

[Text] A Russian Supreme Soviet parliamentary delegation headed by Deputy Chairman V. Shumeyko recently returned from a tour of Near East countries: Syria, Jordan, and Egypt. In a certain sense their visit was unique. It was the first time since the communist regime collapsed in our country that Russian parliamentarians had been to the Near East countries which were our priority partners in the seventies and eighties.

[Shumeyko] You know, we must get rid of the idea once and for all that Syria, for example, was a friend of the CPSU and there is therefore no point doing business with it. That is just another piece of ideological dogma, only with a minus sign. We have interests in that country, and we can and must build mutually advantageous economic relations with it.

[Buzuyev] But there are debts which Syria must pay us?

[Shumeyko] Yes, there are debts, in the region of $1 billion. In principle the Syrians are not refusing to pay back this money. Only, in their opinion, a debt cannot serve as the reason for severing relations. We must realize that most of the goods we have supplied to Syria are conventional weapons and military equipment now

in need of overhaul. Naturally, the parliamentary delegation was not empowered to resolve this problem, but we tried to find a compromise in our conversation with the Syrian leaders. In particular, we put forward the following option: Why not set up joint agricultural enterprises in Syria, with the participation of Russian entrepreneurs, as a means of repaying the debt? This would really flood our market with citrus fruits. The Syrians are prepared to allocate us land and help to set up the appropriate structures within the framework of their debt. It seems to me, however, that the debt problem will only be finally resolved when a Russian government delegation visits the region.

[Buzuyev] But what interests can Russia have in Egypt and Jordan?

[Shumeyko] Like us, Egypt is undergoing far-reaching economic reform. Only it is implementing this reform in stages. They even still have the concept of the five-year plan. Our visit to Egypt coincided exactly with the end of the previous five-year plan, in the course of which 36 percent of the country's state property had been placed in private hands—privatized, in other words. I think this experience could be very useful to us. Small and medium-sized businesses have literally flooded the country with a broad range of goods, such as clothing and footwear, for example.

As far as Jordan is concerned, well, although it is a small country, it has a very high standard of banking. We put forward the possibility of opening branches of this country's banks in Russia. Jordan's financial circles are prepared to do this. It could attract considerable investments in the Russian economy.

As a whole, I would like to say that we can easily understand the economic problems of all three countries. Rapid integration of the region's economy with the Western market is hardly possible. The same is felt in Eastern Europe. It is well known, for example, that many enterprises in the former GDR cannot find a market for their goods in the western part of Germany and consequently are closing down; a number of Czechoslovak firms, such as the well-known footwear manufacturer Bata, have also been unable to gain a foothold in the Western market. I think we should all pool our efforts and create an economic space of our own, with the participation of Near East countries. We could then try to compete with the West on a new basis. We are unlikely to succeed on our own.

[Buzuyev] Were serious political problems discussed during your visit? Jordan has always taken a fairly tough stand in relation to Israel. But we are just beginning to build contacts with that country....

[Shumeyko] We did discuss the Palestinian problem with Jordanian leaders. It is certainly true that this country suffers more than all the others, because it has Palestinian refugees living in its territory. Jordan has something in the region of 300,000 refugees in a population of 3.2 million. Naturally, the mass exodus of Soviet Jews—or Russian Jews, as they kept correcting us—is a painful subject in this country. As is well known, Jordan is opposed to Jews settling in lands which belonged to the Palestinians, especially as there is a UN Security Council decision on this score, which states that the people of Palestine have the right to return. The main point is that, the more Jews from CIS countries settle in Israeli-occupied lands, the more difficult it will be to resolve the Palestinian problem. We confirmed our stand—that we are opposed to emigres from the CIS settling in these territories—but, at the same time, we cannot violate human rights: People leave and decide their own future.

[Buzuyev] You were in countries which respect the laws of the Koran. Did you not feel a certain alienation from the Islamic world during your visit, in other words, that we and the Arabs, for example, have a different mentality and different views on the same problems?

[Shumeyko] Rather the reverse. Our trip took place immediately after a visit to the region by Patriarch of All the Russias Aleksiy II. Perhaps for that reason, the atmosphere was such that we felt a spiritual closeness to this world. After all, both Islam and Christianity began in Jerusalem. The two branches have grown from the same seed.

[Buzuyev] One of the aims of your visit was to establish parliamentary contacts. What, in your view, is of interest in the parliamentary practice of the countries you visited?

[Shumeyko] Take Egypt, for example. It has two chambers. One—the People's Assembly—is elected from 222 districts, with two deputies from each. Moreover, the law states that no less than half of the deputies in this chamber must be workers and peasants. The other chamber is the Consultative Council. The Egyptian president can dissolve it when he feels it is necessary to do so. Moreover, it does not appear to be formally involved in the legislative process. But all the wisdom of society, as they say, is gathered in this chamber. All its members are "ex's," as we say. Ex-ministers of foreign affairs and the economy and ex-leaders of parliament. Writers too. All draft laws have to pass through this lower chamber. Its opinion is highly regarded.

Something similar happened in our country at the Sixth Congress of People's Deputies. Henceforth, all draft laws will undergo preliminary discussion with the participation of entrepreneurs, experts, and the Supreme Economic Council before they are adopted. The laws we adopt must not come like a bolt from the blue.

Generally speaking, the setup in the parliaments of all three countries is somewhat different to ours. The auditoriums are more compact but designed for a strictly appointed number of deputies. Each one has on his desk a monitor and microphone, which no one can switch off, incidentally. Order is observed.

[Buzuyev] Were any documents or protocols signed on the basis of the results of your visit?

[Shumeyko] No, we did not venture to sign any protocols or statements, as we were perfectly well aware that they would probably be of a declaratory nature. I think the most important thing is the fact of the visit itself: Russia has taken a step forward. But I also think we must hold parliamentary hearings in the near future to establish exactly what Russia's foreign policy in the region should be, having first determined specific areas of cooperation with the government.

Federation Affairs

Yeltsin Unable To Attend Armed Forces Meeting

LD0906095792 Moscow ITAR-TASS World Service in Russian 0809 GMT 9 Jun 92

[By ITAR-TASS correspondent Andrey Naryshkin]

[Text] Moscow, 9 Jun—Russia's President Boris Yeltsin was unable to take part in the conference of the top leadership of the Russian armed forces which opened today, and which aims to sum up the results of the winter period of troop training. Yeltsin's meeting with the military will probably take place tomorrow.

For the moment, however, the leaders of the Russian Federation armed forces are discussing the results of combat training, results which are not particularly comforting because of the difficult political situation in a number of military districts, groups of forces and fleets, because of the chronic understrength of units and formations, and because of problems of a material nature. This winter only half the planned divisional tactical exercises were carried out, 93 percent of regimental exercises, and a quarter of batallion exercises. The summer period of training for troops and in the fleets begin 1 July. Preparations for this are one of the main issues at today's conference in the Russian Ministry of Defense, which is being held behind closed doors.

Representatives of the press, who were invited yesterday to the conference, were at the last minute not allowed into the session hall. A security service officer told the ITAR-TASS correspondent that the journalists were invited only for the planned meeting with the president. Everything taking place at the conference itself is classified as "closed information."

Nevertheless, the ITAR-TASS correspondent managed to get some information about some new appointments. By decision of the president, Colonel General Viktor Dubynin, commander of the Northern Group of Forces, has been appointed the authorized representative of the government of the Russian Federation for the withdrawal of troops from Poland; and Colonel General Valeriy Mironov, commander of the Northwestern Group of Forces, has been appointed authorized representative of the government of the Russian Federation for the withdrawal of forces from the Baltic states. Information on appointments to the posts of chief of general staff of the Russian armed forces, and of deputy ministers of defense of Russia will become known later.

To Participate 10 Jun

LD0906081792 Moscow Radio Rossii Network in Russian 0700 GMT 9 Jun 92

[Text] A two-day conference of the commanding body of the Russian armed forces opened in Moscow today. The questions to be discussed are connected with the structural reorganization of the republic's armed forces. As learned by INTERFAX, President Boris Yeltsin will participate in the conference on 10 June. It is expected that he will sign decrees on appointments for four vacancies in the Defense Ministry leadership command.

ITAR-TASS Kills Item

LD0906071592

[Editorial Report] Moscow ITAR-TASS World Service in Russian at 0200 GMT 9 June carries the following one-sentence, undatelined item:

"The Russian president will today hold a meeting with the leading personnel of the Russian Federation Armed Forces."

Moscow ITAR-TASS World Service in Russian at 0645 GMT 9 June in a message to subscribers reports that this story is "K-I-L-L-E-D, because Boris Yeltsin's meeting with the conference participants has been postponed."

Yeltsin Dismisses Deputy Security Minister

OW0806205892 Moscow INTERFAX in English 1913 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] IF [INTERFAX] learned that Russian President Boris Yeltsin had dismissed First Deputy Security Minister of Russia, Major-General Anatoliy Oleynikov.

The Security Ministry's Public Relations Center refused to comment on the move to IF's correspondent, noting only that it was "unexpected".

Reliable sources in the Security Ministry indicated that Oleynikov's dismissal had no relation to the work of the commission set up by the minister Viktor Barannikov for investigating violations and abuse of power by high-ranking officials who shifted from the former USSR KGB to the newly created ministry. An official statement issued by the Security Ministry last week says that on the basis of the commission's conclusions, Barannikov prepared an order to dismiss from the security bodies a group of high-ranking generals and officers.

IF learned that among them is the present head of the counterintelligence service Vladimir Klishin.

More on Dismissal of State Security Officers

PM0806150492 Moscow IZVESTIYA in Russian 8 Jun 92 Morning Edition p 2

[Interview with Boris Bolshakov, deputy chairman of the Russian Federation Supreme Soviet Committee for Defense and Security Questions, and Andrey Beloborodov, chairman of the subcommittee for cadre policy, by Andrey Illesh and Valeriy Rudnev; place and date not given: "Parliamentarians Know Why the Security Minister Dismissed His Generals"—first two paragraphs are introduction]

[Text] Russian Security Minister Viktor Barannikov's unexpected order on the dismissal of several high-ranking generals and officers of the upper echelons of his apparatus, and especially the fact that he himself made it public (IZVESTIYA No. 129), naturally prompted a number of questions. Why did the minister take this step? Are the generals' sins really so great as to merit dismissal? Or could this be a well-mounted political show, a settling of scores by the new authorities with the old cadres? Or a reflection of the struggle within the department for spheres of influence?

Russian Security Ministry officials are thus far avoiding any serious comment on this matter, explaining the situation thus: Publicizing specific events, facts, and names will hamper the objectivity of the official investigation which is in progress and the subsequent juridical assessment of the incident. So for clarification we turned to other sources of information—the Committee for Defense and Security Questions and the recently formed plenipotentiary ad hoc commission of the Russian Federation Supreme Soviet. There we met with Russian Federation People's Deputies Boris Bolshakov, deputy chairman of the committee, and Andrey Beloborodov, chairman of the subcommittee for cadre policy.

[IZVESTIYA] It is easy enough to introduce you briefly—you are among the few who monitor the activity of Russia's organs of state security and foreign intelligence, but we are afraid that it is not easy to understand the nature of your work from this. Especially since various things are said about you: that you can remove a new minister from his post, halve the apparatus, and bring people loyal to parliament into the special organs. Could you perhaps introduce yourselves?

[Bolshakov] We are not entitled to remove people from their posts, or reduce manning levels, still less can we interfere in operational activity: The Supreme Soviet did not give us those powers. Our main task is to study the state of affairs in Russian state security and foreign intelligence, assess the organizational transformations carried out there, and present our findings and proposals by 1 July for discussion at a closed session of the Russian Supreme Soviet. No one is obstructing our work, and we have good, businesslike relations, in particular, with the Security Ministry leadership, relations which I think are satisfactory to both sides.

[Beloborodov] Parliamentary oversight of the activity of special organs involves primarily the study of the main avenues and nature of operational activity, the implementation of cadre policy, approval of the budget and verification of the validity of expenditure, and the monitoring of observance of human rights and the rule of law in the activity of security and foreign intelligence organs. More simply, we are looking for ways to increase the efficiency of their work.

[IZVESTIYA] Let us talk about cadres. Especially since the ITAR-TASS report on the dismissal of high-ranking officials from the Russian Security Ministry stresses that the dismissed people had been transferred to the newly formed ministry from the previous structures of the former USSR KGB.

[Beloborodov] I would not pay any particular attention to who was transferred from where. This is always a dangerous method of tackling cadre questions. Especially in the special organs, where a high level of professionalism should come first, which, incidentally, is achieved by, among other things, relatively long service. Let us, in the end, assess specialists not by their origin, but by their devotion to the cause and their desire to apply themselves wholeheartedly to the interests of state service. Otherwise, what happens: Do all those who served conscientiously beforehand have to resign?

[IZVESTIYA] All the same, why were the state security generals dismissed?

[Bolshakov] For discrediting their officers' rank and for official abuses. This episode involves gross violations of the procedure for the use of apartments intended for operational work, in effect their appropriation for personal use by certain top officers. In addition, financial misdemeanors were uncovered in the expenditure of state resources allocated for special operational purposes. Here too the motive of personal self-interest was discovered.

I will say more: Some information on abuses inside the Russian Security Ministry's central apparatus had reached us before. On that occasion too we were pleased with the initiative and promptness shown by the new minister, who looked into the situation himself and did not seek to cover up for the miscreants. More than that, he showed persistence in conducting an objective, in-depth investigation. The fact is that their first departmental commission found no misdemeanors. Why not? Evidently there were reasons to disregard the instances of abuses which are now obvious. And only the minister's second commission showed "who is who."

We were briefed on what had happened and we were present at an examination of the situation with the Russian Security Ministry leadership. I will tell you frankly: I have no doubts about the legality of the order to dismiss top state security officers. There is no politics, revenge, or recarving of spheres of influence behind it.

And the episode itself is, alas, not so very remarkable for our special organs. We used to have similar cases before. But the former leaders did not make them public (even other subdivisions of the same department did not know about them), and they tried to quietly move the culprits "sideways" to a different, not too onerous post or to send them into an honorable retirement. You can't do that today. Everyone must know: Everyone is equal before the military regulations, the law, and the officers' code of honor.

In this connection I would like to take issue with the popular television commentator on VESTI who doubts whether a general can be dismissed for, as he put it, "illegal use of refrigerators," obviously referring to the abuses involving the use of operational apartments. He not only can be, he must be! Because the danger of an official misdemeanor does not depend on how high a post the perpetrator holds.

[IZVESTIYA] Two years ago IZVESTIYA, for the first time in the Soviet press, wrote about the agents' work, showing that the lack of monitoring in this sphere of operational activity leads to abuses, in particular, in financial matters. At that time the KGB officially kept silent, but unofficially it expressed displeasure, as one general put it, at our "journalistic incompetence."

[Beloborodov] The silence and arrogance of the former KGB leadership led to today's events at the Lubyanka. Also, at that time there was no reliable extradepartmental monitoring of the legality of the use of operational forces and resources. Only with the adoption of the law on operational and investigative activity did we gain the legislative basis, the real possibility of prosecutor's oversight in this sphere and other forms of monitoring, in particular financial.

Incidentally, the episode of the dismissal of top Russian Security Ministry officers gives us new food for thought. The investigation is still in progress, and the scale of the abuses will become clear later. But even today we are making notes in our "legislative notebooks" (this is another important avenue in the work of our committee and the ad hoc parliamentary commission) with a view to formulating certain amendments to existing laws.

[IZVESTIYA] So, no specific facts or names for the moment?

[Bolshakov] It is no use kindling passions here. Only recently you yourselves were criticizing the Moscow chekists for excessive "loquaciousness" on the case of the bribe-taking subprefect. But today you are trying to accuse us of excessive restraint.... [interview ends]

Postscript: Without wishing to put the parliamentarians in a difficult position, but aware of the readers' possible dissatisfaction with the lack of concrete facts in this interview, we decided to publish our own information, obtained as a result of a journalistic investigation.

The names of the dismissed generals include Viktor Klishin, chief of the counterintelligence directorate, and Vladimir Redkoborodoy, chief of the protection directorate to the former USSR president. Those of lower ranks include Martynov, chief of the housing registration and distribution department; Romakhov, chief of the counterintelligence economics department; and Doroshenko, assistant to First Deputy Minister Oleynikov.

Some of those dismissed appropriated official "safe" apartments for themselves and their relatives, others dipped their hands into the notorious (secret) Item 9 of state security expenditure, out of which agents' work is paid for. The misappropriations are reckoned in tens of thousands of dollars and hundreds of thousands of rubles.

We have learned that meetings are taking place in operational subdivisions of the Russian Security Ministry, where the minister's order is being discussed heatedly. The majority is on V. Barannikov's side. But there are those who are cautiously keeping quiet for the moment, believing that the minister aimed too high. A retaliatory strike could follow...

The list of those dismissed, according to our information, will soon gain new names. In short, today has not seen the end of the topic of the agents.

Security Council 'Temporary Structure' Set Up

OW0806191092 Moscow INTERFAX in English 1634 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] The temporary structure of the Russian Security Council was established by an order of the Russian President. The staff of the Security Council will number 80 people with a monthly payroll of 970 thousand rubles. The organization's financial activities were stipulated by an estimate of expenditures by the administration of the Russian President.

The document stipulates that a payroll will be established based on agreements reached with the Security Council and scientific research organizations. The order also contains a number of orders to create the conditions to enable the Security Council of the Russian Federation to work effectively.

"IF" [INTERFAX] has the complete text of the order by the Russian President.

Yeltsin Indicates Government Help for Needy

LD0706081592 Moscow Radio Rossii Network in Russian 0100 GMT 7 Jun 92

[Text] Russian President Boris Yeltsin has said he has a sincere desire to see the process of reforms all the way through so that, in his words, endless trials that people have had to face for far too long come to an end. The

Russian president said in an interview with RZECZ-POSPOLITA, a Polish newspaper, that the republican leadership has possibilities for providing even greater help to the worse-off layers of the population. It is necessary to protect those who really need protection. Those who can work should be given real opportunities to show their initiative.

Resolution Tightens Nuclear Export Controls

PM0906093592 Moscow ROSSIYSKAYA GAZETA in Russian 6 Jun 92 First Edition p 6

[Russian Federation Gorvernment Resolution No. 366 "On Approving Documents Regulating the Export of Dual-Use Equipment and Materials and Technology That Can Be Used for Nuclear Purposes," dated 29 May 1992, Moscow, and signed by Ye. Gaydar, first deputy chairman of the Russian Federation Government]

[Text] In order to tighten control of exports from the Russian Federation of dual-use equipment and materials and technology that can be used for nuclear purposes, the Russian Federation Government rules that:

1. The guiding principles of the transfer of dual-use equipment and materials and technology that can be used for nuclear purposes, the list of dual-use equipment and materials and technology that can be used for nuclear purposes, and the memorandum of understanding, which were adopted by the nuclear supplier countries in accordance with the accords reached in Warsaw in March-April, are to be approved.

2. The Russian Federation Foreign Ministry is to follow the established procedure and send in May 1992 to the states that reached the accords in Warsaw in March-April 1992 notes on the Russian Federation's adherence to the documents mentioned in point 1 of this resolution and inform the director general of the International Atomic Energy Agency about this.

3. The Russian Federation Commission on Export Control under the Russian Federation Government and the Russian Federation Ministry of Atomic Energy, in conjunction with other interested ministries and departments of the Russian Federation, are to present to the Russian Federation Government in 1992 proposals on measures to implement in the Russian Federation the documents provided for in point 1 of this resolution.

Ye. Gaydar, first deputy chairman of the Russian Federation Government.

Grachev on Personnel, Foreign Attachments

MK0906095192 Moscow NEZAVISIMAYA GAZETA in Russian 9 Jun 92 pp 1, 2

[Interview with Russian Defense Minister P. Grachev by Pavel Felgengauer under the "Army" rubric; place and date not given: "General Grachev: There Will Be New Defense Ministry and Army Appointments 9 June"]

[Text] [Felgengauer] How surprised were you to be appointed defense minister just 10 days after you were given the role of first deputy?

[Grachev] Right up to the last minute, until I saw the decree signed by the president, I did not think about becoming or expect to become defense minister. There had, after all, been various statements (including at the Sixth Congress) to the effect that Russia's defense minister should undoubtedly be a civilian, over whom it is (supposedly) easier to establish real civilian control.

President Yeltsin summoned me to the Kremlin 17 May (other government members were also present). Before my very eyes he signed the decree on my appointment, and only then did I feel that I was indeed defense minister.

Boris Nikolayevich and the other members of the government said that they had been considering my appointment for a long time and had decided that we are now faced with a period of transition from the former Soviet Army to a Russian Army and that a minister from the military is needed, one who knows the army and whom the army knows. A mass withdrawal is under way, troops are being settled in new areas with considerable difficulty, and the operational deployment of groups of armed forces around all Russia's borders is under way. All this is happening amid political and economic instability. It would take a civilian (even a highly trained civilian) at least a year just to become acquainted with the job. And now is not the time for that. In the future, if the transitional period comes to an end and stability is established, it will clearly be decided to appoint a civilian defense minister.

[Felgengauer] Isn't your appointment due to the fact that you are known as an extremely forthright commander and are capable of restoring order in the army?

[Grachev] Clearly the president and the government also took that into consideration. I know that the president spent a long time studying me, both before August 1991 and after, during our meetings and during conferences. I am basically a hard man, although I try to be fair in everything I do.

[Felgengauer] Structures are now being divided up between the High Command of the CIS Joint Armed Forces led by Marshal Shaposhnikov and the Russian Army. How smoothly is this process going? Among other things, what is the fate of the "nuclear button"?

[Grachev] I have not had any run-ins during the organizational demarcation with Commander in Chief Shaposhnikov—we have very good, businesslike relations.

As long as there are nuclear weapons on the territory of four CIS states, we need unified command of the strategic nuclear forces. Today President Yeltsin, Commander in Chief Shaposhnikov, and General Samsonov, chief of staff of the CIS Joint Armed Forces, hold the "nuclear button." That was decided back at the Kiev

meeting of CIS heads of state and only they can change that decision. This management structure will remain in place until all nuclear weapons have been removed from Kazakhstan, Ukraine, and Byelarus.

President Yeltsin can use nuclear weapons, but only by agreement with the presidents of Byelarus, Ukraine, and Kazakhstan. That is quite feasible. Admittedly, this is a new situation, but control over nuclear weapons has by no means been lost. Some of the Main Operational Command and the people who work there have transferred to the CIS Joint Armed Forces.

[Felgengauer] There are currently several regional conflicts under way near Russia's borders and it is quite possible that in the future the existing conflicts may spread and fresh hostilities flare up. Are you sure that Russia has a year or two just to reorganize the central apparatus?

[Grachev] The period of perestroyka weakened our forces to such an extent that I would like a totally different army. But our formations are basically combat capable and can do their job. In 1992, in addition to the Defense Ministry and the General Staff, I will also reorganize the command of branches of the Armed Forces and the command of certain districts, in a word, the staffs. In a few days you will learn of the appointment of new deputies (all my deputy defense ministers will be new people), the appointment of new heads of principal sectors, and certain new district commanders. First, a session of the Higher Certification Commission was held 5 June chaired by Yuriy Skokov. The candidate defense ministers have already arrived in Moscow. Three or four candidates have been invited along for each post and they will be selected on a competitive basis. I think this is democratic, and no one will be able to say that "Grachev has appointed his own people."

[Felgengauer] You have already said that a new operational-strategic formation is being set up on the basis of the Airborne Troops—a kind of Russian "rapid-response corps." When will this be formed?

[Grachev] A new branch of the armed forces—the "rapid-response" troops—will be set up on the basis of the Airborne Troops and Transport Aviation, and this process will begin in 1992. The forces will also include "light" motorized rifle formations. We already plan to set up four "light" motorized rifle brigades. In addition, the "rapid-response" forces will include the helicopter units being withdrawn from Germany and redeployed from the Transcaucasus since the "light" motorized rifle brigades will effectively be air-mobile. Some units of the new branch of the armed forces will be formed this year and a definitive statement on the new formation will be issued in mid-1993.

[Felgengauer] What is the situation in the Airborne Troops now?

[Grachev] The CIS countries have rejected the proposal to incorporate the Airborne Troops in the Strategic Forces. The situation now is that my own 103d Vitebsk Airborne Division, which I commanded in Afghanistan, has been transferred to the Byelarusian Armed Forces. The Brest airborne brigade has also been transferred. Three brigades have been transferred in Ukraine and the question of the 98th Airborne Division stationed in Bolgrad (on the border with the Gagauz area of Moldova, one regiment in Chisinau—P.F.) is also being decided. It is currently under my jurisdiction; the personnel have not taken the Ukrainian oath and have no intention of doing so, and the Ukrainian leadership does not want to have units on its territory that have not taken the oath.

[Felgengauer] What is the situation in the Transcaucasus, in particular as regards the 104th Airborne Division stationed in Gyandzha?

[Grachev] It has been unequivocally decided to bring the 104th division back to Russia, to the Saratov area, as planned (by 1994). But it is hard to withdraw troops from the Transcaucasus. A suitable opportunity for the withdrawal was lost. Virtually all Fourth Army units in Azerbaijan have been "privatized." The only exceptions are the 104th Airborne Division and the 23d Motorized Rifle Division stationed in Gyandzha. They have joined forces and will not entertain the idea of any "privatization." Military hardware is currently being handed over to Azerbaijan, but this is only a paper transfer, since virtually all of it was in actual fact stolen previously. They will now be accountable for it.

I recently had a visit from a government delegation which included the Azerbaijani defense minister. We talked about their possibly joining the collective security treaty. But I clearly set out the terms for the renewal of partnership relations.

At the same time the situation in Armenia has clearly improved: Armenia has signed the collective security treaty and we will cooperate with it and help it set up its armed forces. It was initially decided to completely withdraw troops from Armenia, but the situation has changed now. Some forces will be withdrawn and arms and hardware have been handed over to the Armenians, but some forces will remain in Armenia by agreement with its government within the framework of the collective security treaty.

In Tbilisi I met with Kitovani and Sigua. We agreed to hand over hardware and arms to Georgia, but only once the conflict with Ossetia and Abkhazia has been resolved. The arms and hardware must not be used in interethnic conflicts. So dates have not been decided for the handover of arms and no hardware has yet been handed over. In addition, the treaty was signed by the defense ministers and has yet to be ratified by the government. But Georgia does not currently have a legally elected government—one will not be elected before October, and then the transfer of hardware will be able to start.

If Georgia signs the collective security treaty, all issues pertaining to the possible deployment of Russian troops will be resolved as they have been with Armenia.

[Felgengauer] How do you intend to get draftees to join the troops in the Transcaucasus?

[Grachev] An order has already been given for service in the Transcaucasus to be exclusively voluntary. On the basis of written personal application, so that soldiers' mothers do not speak of us afterwards as "murderers." The volunteers will have privileges too: pay of 1,200-1,400 rubles [R] among others.

[Felgengauer] What is the draft situation like?

[Grachev] The draft is by and large going according to plan, but the plan is inadequate. I am not ecstatic about the draft contingent.

[Felgengauer] What specifically do you intend to do?

[Grachev] First, abolish all deferrals and privileges. Second, we will ask for the recent resolution on alternative service to be amended. If people are allowed to serve where they want, no one at all will enter the army. I will campaign for alternative service to be performed within the armed forces. We have plenty of specialisms where people can serve without using weapons. Third, eliminate all military departments in all institutes. Military departments have outlived their usefulness: Real reservists are not trained there. However, we have no intention of drafting students, only graduates of higher educational establishments.

Moreover, we will try to gradually raise the draft age to 21.

[Felgengauer] What are the main avenues of social protection for servicemen and where is the money for them to come from?

[Grachev] Just imagine, a platoon commander now gets R2,300-2,500. That is often not enough for an apartment (if he does not have his own apartment and has to rent one). Even I as defense minister only get R7,300. I am not complaining, but that is not a lot of money nowadays.

I have prepared documents and submitted them to the government and the Supreme Soviet (we will see who will respond more rapidly) for officers' and warrant officers' pay to be raised considerably. I want justice: A platoon commander should at least get the same as a middling official—R4,500-5,000. Procrastination here may cause junior officers simply to run off.

[Felgengauer] The defense minister of a great nuclear power does indeed look ridiculous on pay of roughly $70 a month. But where is the money to come from for all those who need it? President Yeltsin spoke about selling off surplus arms and using that money for social protection.

[Grachev] I am violently opposed to any commercial activity in the army. I have noticed all the commercial structures, both official and unofficial. Literally everything has been sold off. An investigation has been scheduled and some people will probably incur criminal as well as disciplinary penalties. Life suggests that the army does nonetheless need additional income. An agreement has already been reached with the Ministry of Foreign Economic Relations (Minister Petr Aven—P.F.) for surplus weapons to be sold and 80 percent of the revenue from these sales to enter the armed forces' budget.

[Felgengauer] The 14th Army has not received orders to withdraw—President Yeltsin has only issued a statement. Obviously, if it does receive this order, the army will not carry it out, at any rate not the entire army.

[Grachev] Boris Nikolayevich has indeed spoken in favor of withdrawing the 14th Army and I confirm that the army must be withdrawn. But neither President Yeltsin nor myself has decided on the withdrawal dates. It will all depend on the talks between Russia and Moldova defining the status of the troops' temporary deployment there, their funding, housing for the troops being withdrawn, etc. As well as on the stability of the political situation in Moldova.

The army has said that it will not allow civil war. There are a very large number of Russians in Moldova and Russia must defend its citizens abroad. I think that the 14th Army will be withdrawn in a few years, but only on acceptable terms.

[Felgengauer] What is the situation in Chechenia? How great is the danger of armed conflict? When will the announced troop withdrawal take place and how?

[Grachev] The situation there is serious. The great importance of clans in Chechenia has resulted in the creation of various warring armed groupings. An armed clash has been prevented, but there is a quite real and major threat of internecine strife. The troop withdrawal has already begun.

[Felgengauer] There is another "trouble spot," Ossetia. The local leadership has said that it has nuclear weapons, either of its own manufacture, or binary [binarnyy], geological, or other kinds. How serious is the threat and will there be an investigation?

[Grachev] We are monitoring all regions and we realize that this is common garden variety blackmail and intimidation.

[Felgengauer] You have made frequent references to the collective security treaty today. What mechanism for security does this treaty envisage? Will this resemble an "eastern" NATO with its own powerful staff and political structure?

[Grachev] Six states have concluded a military-political alliance. If the situation in a particular region deteriorates, all the six states will help one another. Marshal Shaposhnikov, commander in chief of the Joint Armed

Forces, will coordinate these actions. A concrete action mechanism is being worked out.

Grachev Views Military Issues, Media Role

PM0806215192 Moscow KRASNAYA ZVEZDA in Russian 9 Jun 92 pp 1, 2

[Report by correspondent Lieutenant Colonel A. Dokuchayev on 5 June Moscow journalists' meeting with Russian Defense Minister Army General P. Grachev: "Meeting Between Russian Defense Minister and KRASNAYA ZVEZDA Journalists"—first three paragraphs are introduction]

[Text] As reported, Russian Defense Minister Army General P. Grachev met with the KRASNAYA ZVEZDA collective on 5 June.

KRASNAYA ZVEZDA has already presented Grachev to its readers and there is certainly no need to repeat his career details again. Nevertheless, we would like to note that he is one of the youngest military ministers in Russian history. Grachev became such at the age of 44 and almost simultaneously received the military rank of army general. He spent his military career in the airborne troops. His background includes several years in Afghanistan during the war (he did two tours there) and studies at two military academies—the M.F. Frunze and the General Staff Academies—where he graduated cum laude.

Expressing his thanks for the invitation to address us journalists, Pavel Grachev said the following.

[Grachev] I hope that our work will be fruitful. When I learned of the collective's wishes I came to the conclusion that the status of the newspaper was not in keeping with the spirit of the times and that there was a need to make adjustments. Let us agree at this meeting that starting tomorrow KRASNAYA ZVEZDA will appear as the central organ of the Russian Defense Ministry. [Grachev ends]

So, on 5 June, Army General Grachev signed a statement addressed to the Ministry of Press and Information re-registering the newspaper in the name of its new founder—the Russian Federation Defense Ministry. Let us say frankly that this event was long awaited in the collective, since KRASNAYA ZVEZDA had been coming out for several months as the "daily newspaper of the Armed Forces." However, it was not known which armed forces, exactly. Now clarity and definition are being introduced....

[Grachev] The newspaper's new status imposes greater responsibility on the journalists for ensuring truthful coverage of the events taking place in Russia and, above all, the process of creating the new armed forces. It would be justified if the collective were to focus its attention on those factors that the Defense Ministry regards as paramount, objectively reflecting the processes under way. I would put it thus: The editorial collective "should work" for the Armed Forces. And a high standard of professionalism is demanded of journalists here.

Regarding our priorities, the first and main item is the start of the Russian Armed Forces' organizational development, which will be carried out in stages, as has been repeatedly stated.

The Russian Defense Ministry and General Staff are now being set up. The structure of the ministry has already been confirmed in principle by the president in the Security Council. It corresponds, in particular, to the layout presented to participants in the scientific conference recently held at the General Staff Military Academy. Everyone familiar with it concludes that it is considerably different from the existing one.

The time for manning the Defense Ministry is coming. A session of the Senior Certification Board was held under the leadership of Yuriy Stokov. Some 10 candidates for the four deputy defense ministers' posts were presented by me. I have already said that appointments must be carried out democratically on a competitive basis. All of them were interviewed and a presidential decree was prepared on the appointment of the chief of the General Staff and first deputy defense minister; the deputy defense minister who will be responsible for construction and billeting, the rear services, and the withdrawal of troops; the deputy responsible for the group of questions currently looked after by the Main Personnel Directorate, the Main Directorate of Higher Educational Institutions, and the Committee for Work with Personnel; and the deputy who will tackle issues which do not fall within the remit of the other deputies, issues in "trouble spots," questions involving rationalization and invention work, fire protection... One of them, as you know, has already been appointed—he is Andrey Kokoshin. His brief is armaments and equipment, research and development, conversion, and science.

We hope that the president will sign the decree on the appointment of the deputies and announce this during the summing up of the results of the winter training period at the Defense Ministry (to be held 9-10 June), where his participation is planned.

After which—now with the participation of the deputy ministers—appointments will be made on the same basis to the posts of directorate and department chiefs. The directorate chiefs will be confirmed by the Higher Certification Board, while the chiefs of departments will be confirmed lower down the line—by the ministry certification board. We are planning to complete the formation of the Defense Ministry and General Staff in the middle of July.

Work is under way on the theory of the creation of the Armed Forces' structures and on the theory of the operational grouping on the territory of Russia and along its whole perimeter. The process of examining candidates for the relevant posts of leaders of branches of the Armed Forces, commanders of military districts, fleets,

and individual armies will start up in parallel. We are planning that all the basic leadership posts in the forces will have been filled on a competitive basis before the end of the year. There is a need, I think, for the editorial office to follow these processes and respond promptly to the appointments as they are made.

The second item is a topical and complex one in the period of the formation of our army; it is bound up with the homecoming of troops stationed outside Russia. I would ask you journalists to be very considerate and tactful here. Any unguarded, ill-considered comment on your part could considerably complicate the social situation in a particular region among the servicemen, and do so instantaneously. And we must get through this process painlessly.

I want people to understand that neither Russia nor the military leadership is abandoning servicemen outside their country. A second area that needs to be looked at in our work is that it must be made clear that both the government and the Defense Ministry will stand up for them.

The third element of the problem under examination is as follows: It is necessary to stress that Russia has its own interests in defending the honor and dignity of Russian citizens who live outside Russia. We are not indifferent to the way they live there or the conditions created for them in particular regions. In your articles you should make clear that Russian servicemen and Russian citizens will not be left in the lurch, that we will give them every possible help.

We are, figuratively speaking, surrendering too much [slishkom]—this can be particularly applied to the withdrawal of our troops from Germany. I disagree with the then leadership of the country and the Defense Ministry which made the decision to withdraw troops from Germany in four years. That is an unrealistic timetable if such a large-scale operation is to be conducted in a civilized manner. If we run at it, four years will suffice. The Germans were running for four years during the Great Patriotic War, and it now turns out that we, too, have four years....

I cannot understand the leaders in the Baltics and Moldova who want our troops to withdraw from their territory before the current year—1992—is out. We are not there through our own will and have done nothing bad there. And then you have to accept the realities of life: We can in no way start withdrawing major contingents before 1994. Some subunits will of course be withdrawn.

The complexity of the situation also resides in the fact that, apart from the Baltics and Moldova, hysteria over our troops is also being whipped up in the Transcaucasian republics, particularly Azerbaijan. Despite my attempts and the attempts of the Foreign Ministry there has been no stabilization there. It has been reported to me that Azerbaijan has announced the complete privatization of military equipment and armaments. I have had to remind officials that this should not be done, otherwise tough measures will be taken.

The situation in Armenia has somewhat stabilized. A lull has set in in Georgia, but it is still not calm enough. As is well known, Georgian gunmen have attempted to "privatize" and seize the armaments and equipment of our coastal protection brigade in the Poti region. I sent a protest note to Messrs T. Sigua and T. Kitovani. The situation has somewhat calmed down there now. [Grachev ends]

Then the defense minister again requested that journalists objectively reflect current events, converse with their readers in a considered way, and do not stir up our servicemen stationed in trouble spots. Unfortunately, cases are still occurring where the accent is not placed altogether correctly. The minister illustrated this by the example of an article with the overcategorical title "The 14th Army Will Be Withdrawn From the Dniester Region." The real picture there is as follows, he said.

[Grachev] If you assume that I today issue the order for the withdrawal of the 14th Army, in that case a considerable section of the army will leave the jurisdiction of Russia and go voluntarily over to the side of the Dniester region. There is only one reason here—to give the Russian population of the Dniester region help in repulsing aggression from the Right Bank—as it is now called. Yes, the army could leave the Dniester region, and no one questions Boris Nikolayevich's decision, but time is needed.

When realistically could the withdrawal be carried out? When the political situation stabilizes, that is a sine qua non. Here our politicians have work to do. The second factor concerns when we decide the status of the deployment of the 14th Army, what the status of our troops on the territory of Moldova should be. Moreover, when we resolve the issue of where the troops are to be redeployed, the question will arise of how the Moldovan side is to compensate us for the redeployment, and that it does not wish to do so at present. We also have to resolve the question of equipment and its division. Moldova states that the equipment belongs to it. We do not deny that the Moldovan side has played a part, albeit a small part, in developing equipment and armaments. The equipment has to be divided up, but this also needs time. Regarding transit, we will be carrying this out across the territory of a foreign state. And there certain leaders state: We will let the people through, but we will take the equipment. Who has a greater interest in the transit—we or the Moldovan side? The Moldovans. Consequently, they should conduct talks with Ukraine about the what and the how of the transit. In short, the process of withdrawing the 14th Army is a protracted one. In my view—and the state leadership is in agreement with it—withdrawal can be started in five or six years. This is a realistic and optimal timeframe. The units' reception has to be prepared, military camps and accommodations have to be constructed...

Journalists should also pay attention to the work of the heads of the administrations of the oblasts and krays through which our troops will, according to the plan, be withdrawn. It is necessary to examine and analyze the implementation of the presidential decree referring to the construction of apartments and the provision of assistance to troops being withdrawn and to show the efforts of our best leaders. True, there are not very many leaders here. In terms of the allocation of apartments to servicemen the decree has only been 1.8-percent implemented. The newspaper should have its say here.

The coverage of questions concerning the financing of the Armed Forces, in particular the issuing of pay to officers and NCO's, is an important problem. This is a difficult situation. There are cases where, for example, in the Pacific and Northern Fleets and the Far East Military District people have not gotten their pay for two or three months. These questions must be broached, and both the Supreme Soviet and the government should recognize people's concern.

And one last thing: Some publications print articles whose authors either deliberately pursue the aim of causing the army's disintegration or unwittingly blacken the name of the Army, Navy, and officers through their own ignorance. These attacks must be resolutely countered with no holding back.

In short, I want to see KRASNAYA ZVEZDA and other military publications acting as effective assistants to the Defense Ministry and true workers for the Russian Army. I also want to see publications which are interesting, meaningful, and truthful working to promote and strengthen the authority which our army once had, but which has now been lost. [Grachev ends]

The defense minister then answered journalists' questions. Grachev was asked, for example: "From when and until when," given the newspaper's new status, could journalists criticize Defense Ministry officials? The general jokingly said that he could be criticized, but it was undesirable to criticize the others. But to be serious, Grachev observed, constructive criticism is necessary. Sometimes you can read half a page of trenchant criticism in an article without a single suggestion as to how to rectify the matter. I see it this way: If you have criticized, then do winch to the surface two or three constructive suggestions—that is the way to get top marks....

The following was also discussed: Very acute and unprecedented competition has developed in the news and information market. All the newspapers are seeking to enlist the most influential people—politicians, economists, literary people, and so forth—to cooperate with them. Given these conditions, the newspapers which are winning are those which possess a material advantage. The remuneration of writers in KRASNAYA ZVEZDA, compared with certain other publications, is at the other end of the spectrum, as it were. The fee paid at KOMSOMOLSKAYA PRAVDA, for example, is roughly 16 times greater than at KRASNAYA ZVEZDA, and at ROSSIYSKAYA GAZETA, IZVESTIYA, and TRUD it is eight to 10 times greater. The newspaper is losing competitiveness because of the meager, token fees it pays. A request was then made to the minister that action be taken to prevent KRASNAYA ZVEZDA losing out. Grachev stated that the question would be studied.

There was also discussion of the following: KRASNAYA ZVEZDA is becoming a Russian newspaper. But it still retains a readership in other CIS countries and there is a network of permanent correspondents in Byelarus, Ukraine, Kazakhstan, and Uzbekistan, in particular. What is to be done about this? The minister was asked whether a special agreement might not be concluded on this score with the defense ministries of other states. The newspaper's obligations regarding the coverage of problems in which they are interested could of course be agreed on beforehand. The defense minister supported this idea.

The minister noted in conclusion that the situation in the editorial office is businesslike and that the journalists are on the very best of terms with one another, and he expressed the hope that KRASNAYA ZVEZDA will discharge its tasks in a worthy fashion.

Expert Explores Appropriate Defense Posture

PM0806153792 Moscow ROSSIYSKAYA GAZETA in Russian 5 Jun 92 First Edition p 6

[Candidate of Military Sciences Viktor Filippov commentary under "Expert Opinion" rubric: "The Russian Army: Aiming To Break the Mold"]

[Text] The collapse of the socialist system, the Warsaw Pact, and its buttress, the USSR, has substantially disrupted the political balance in the world and the traditional ideas of many countries' leaders concerning the military security of their states and regions and global military security. To be more specific, I will single out the basic trends of these traditional ideas about states' military security which formed after World War II. World practice makes it possible for us to isolate four basic trends (and correspondingly four varieties of defense strategy) in a state's defense policy.

The first is the defense policy of a superpower which enables it to rely on its economic and military might to actually control global military security. Furthermore, the leadership of such a superpower may, in its foreign policy, combine coalition military policy (remaining the clear leader in it), the threat of the use of force, economic levers (including the policy of loans and credits), and ideological instruments in mutual relations with interstate and public organizations.

The second is the defense policy of a state that is part of a military bloc or actively cooperates with one without officially being part of it. Such a state's ambitions are primarily determined by its "weight" in the world economic and military hierarchy. Today the trends toward bloc policy are strengthening rather than weakening.

And we can see this by the example of the former socialist countries of East Europe and the example of pan-Islamic integration. Certain states that are republics of the former USSR are also displaying an interest in the powerful NATO bloc. Whether we like it or not, bloc policy is a reality.

The third trend can be traced in the policy of a state that is committed to strict or flexible neutrality and is able to pursue this policy and ensure its own security for a long time while remaining outside military blocs or bilateral military agreements because of certain geopolitical, economic, and historical conditions and features.

And finally the fourth type of defense policy—this is the position of a vassal state or a semicolonial territory which is geared to direct dependence on a mother country for its defense and as a rule does not have its own military doctrine.

I did not carry out this analysis by chance. Today a state has formed (or to be more precise, is in the process of forming) in the world that is special in every way: It is enormous in terms of territory, is located in two parts of the world, has a very large population, is multiethnic in its composition, and is very rich in the variety of its reserves of raw materials; it has a structurally developed and at the same time technologically backward economy, and an advanced science but obsolete equipment; it enjoys enormous political authority in the world, is equal to a superpower, and, finally, it possesses a great military might, state-of-the-art military science, and extensive military experience. This state is Russia, which is standing at the crossroads in deep reflection of the choice it has to make—which includes determining its defense policy.

As a professional military man I am genuinely sorry that the USSR has disintegrated. To my mind its authority in the international arena as a superpower held up thanks to the exceptional role it played in defeating fascism, and was subsequently maintained by two factors: the specific attractiveness of the idea of socialism and the relatively great might of its armed forces.

So, in answering the question of what Russia's defense policy should be like, it becomes clear that it cannot be the policy of a superpower, that is, the first type. So what remains? We must immediately reject the fourth type, which is impossible in theory and insulting in practice.

It is attractive to preserve neutrality, but neither externally nor by the people themselves will we be allowed to pursue such a policy precisely because Russia's potential state interests go beyond the framework of an ordinary state in our understanding of it and because of Russia's specific features.

It is impossible for us to join any bloc at all because we cannot simultaneously join all the military blocs and coalitions (that would not be a policy; it would be neither one thing nor the other). Let us admit straight out that people will, maybe always, look at us with perplexity: As far as Europe is concerned, we are half-Asian, and as far as Asia is concerned, we are impoverished Europeans. This means that it would be impossible to create any kind of rigid bloc embracing Russia and other states, it seems to me; and indeed, it would evidently be pointless. So what can we do? I will make so bold as to answer this question.

Russia must pursue its own **special** defense policy. None of the above-listed types of principles for building armed forces is appropriate for Russia. To my mind, these should be as follows: **an absence of ideological partners and adversaries**. Any state with any ideology other than a misanthropic one can be a partner; **the struggle by nonmilitary means for the prevention of any war and military conflicts in any region; active social and economic cooperation with other states beyond governmental forms, and the involvement of social forces in the preparation of interstate agreements and treaties; tough diplomacy in questions of the protection of Russia's economic interests and strict state supervision of the foreign economic activity of organizations and private individuals; preemptive [uprezhdayushchaya] regional diplomacy, particularly in contiguous areas; exclusion of the use of armed forces outside state territory except in special cases (during an imposed war or the fulfillment of alliance commitments)**. At the moment many hotheads are frivolously suggesting the possibility of using contingents of armed forces as part of coalition forces to support "the new world order" in the world's hot spots. The extraordinary nature of Russia's position is that as a result of such actions it will only acquire enemies.

These special features of the political aspect of Russia's military doctrine determine its content. The lack of active direct military allies (with the exception of certain CIS states) does not automatically mean that we must prepare to fight the whole world, an idea which is absurd in itself. It is another matter that it is simply essential that the organizational development of the armed forces and their training are geared to waging war against a strong opponent. This does not contain any political undertones because state-of-the-art military technology, military hardware, and military science are today supranational [inonatsionalnyy].

Clearly Russia must carry out its military organizational development on the basis of economic expenditure of a maximum of 5-6 percent of the Gross National Product.

Military doctrine is usually strictly divided into two facets—the political and the military-technical. I believe that for Russia it is essential to isolate another stratum too—broad active diplomacy and a global intelligence system (political, economic, military, environmental). The latter need not be presented as something terrible and immoral. On the contrary, practice shows that intelligence in many spheres is today one of the foundations of national security.

And so, the main conclusion of the argument is that Russia must pursue its own special defense policy with

its own special approach to the organizational development of the armed forces and their training and use, aiming to break the mold of established stereotypes and shatter the generally accepted ideas and concepts.

Gaydar on Extension of Loans to Enterprises

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[Transmitted via KYODO]

[Text] Yegor Gaydar stated that the government was ready to extend additional loans to Russian enterprises and create a "market of secondary comittments". Addressing the tripartite commission for settling social and labour disputes on Wednesday [3 June], he said that the government itself intends to take a loan from the Central Bank of Russia and to buy promissory notes.

At the same time, Gaydar sharply criticized the practice whereby enterprises liquidate each other's debts. "This is stupid and irresponsible," he said. However, the government is ready to extend loans for repaying mutual debts of a local character.

According to the Central Bank of Russia, by the middle of May, Russian enterprises's mutual debts amounted to 1,600 billion roubles. To solve this problem, the government and the Central Bank have agreed to extend a loan worth 200 billion roubles before the end of 1992 for repaying part of mutual debts. Last week, President Yeltsin promised to extend to the Russian oil and gas industry 120 billion roubles within the next three months.

Highlighting the situation in oil industry, Yegor Gaydar said that the government could not release prices in April, as planned. As a result, the situation which took shape in January whereby part of the oil was sold at state prices and another part at free prices, and which could only be transitional and short-term, revealed itself in all its graveness. What is happening now is regulation of prices, not their liberalization, said Gaydar.

Yegor Gaydar also said that the government will urge the parliament to lower the income tax from 60 to 30 percent.

Gaydar Tries To Allay 'Atmosphere of Fear'

PM0806131692 Moscow IZVESTIYA in Russian 6 Jun 92 Morning Edition pp 1, 3

[Interview with First Vice Premier Yegor Gaydar by Mikhail Berger and Anatoliy Druzenko at IZVESTIYA office; date not given: "Yegor Gaydar: Even in Impossible Situations You Have To Look for a Solution"]

[Text] This is the second meeting at the editorial office recently with a major Russian politician, within the framework of our conversations "over a cup of tea." Only recently our guest was the Russian defense minister, now it is the turn of the first vice premier. True, each of them has—objectively—his own "special" position in the political arena in its present form. Grachev is basically only just beginning to set up the Russian Army, so he was free and easy in his way of speech (for him, the reckoning is still to come). Gaydar has already done "certain work": Opinions—among the people—are, to put it mildly, varied, and the difficulties of the reform have apparently (!) peaked; hence the greater restraint, even caution, shown by the vice premier in conversation.

In fact, being a politician in power in Russia today is an unpopular job, as the countless polls and popularity ratings show. Recently the ratings have literally plummeted. Including Yegor Timurovich's, which, however, is hardly surprising for a reformer who decides to begin by liberalizing prices. Here—at least in the initial stage—an inverse ratio applies: The higher the prices, the lower the rating. Does this worry the vice premier? It must be admitted that this question was not broached during the conversation (as being of little significance in the context of what is happening), but nonetheless our interviewee did not appear to feel any anxiety for his good name. A macrolevel professional, it is macroproblems that worry him. He mentioned two of them immediately, with no introductory remarks or reservations.

Nonpayments and Cash Crisis

[Gaydar] The situation in the coming months will be determined by the extent to which we manage to deal with the nonpayments and cash crisis.

About the nonpayments crisis. Here we must be extremely careful and refrain from making any injurious decisions—such as immediately writing off all enterprises' debts and reducing interest rates, which will make the situation almost hopeless.

Strictly speaking, nothing terrible has happened yet. Not many enterprises have come to a halt, and none has gone bankrupt. Not even those that should have done. There is a shortage of cash—and that's a disgrace, but wages are still being paid. The level of unemployment is as yet much lower than even our most "optimistic" predictions. Nonetheless an atmosphere of fear is being whipped up everywhere. But let us look into it—let us look at these nonpayments. Enterprises themselves now tackle questions of material and technical supplies. Let them buy what they need. They have nothing to buy it with? Then let them sell their output. If it won't sell, let them cut their prices. They don't want to? But otherwise there is no market. Do they expect the government to give it to them? On credit? At privileged interest rates? We can't! Of course, we will gradually issue more credits, but we will try to hold the interest rate. A drastic reduction in it today would be the worst thing imaginable.

The second thing, which is already being done, is to develop the domestic market more quickly and release enterprises' bonds onto it. The state will itself go into this market. And it will buy a "ruble" bond from, say, "Rostselmash," if it is insolvent—but for 15 kopeks. That is to say, not automatically "letting them off," as

used to happen, but putting enterprises under certain financial obligations to the state. I think this will be the most acute problem for a few months. But that was only to be expected. Anyone who has watched closely the development of the economies of East European countries, Czechoslovakia for instance, knows how typical a nonpayments crisis is in this situation.

[IZVESTIYA] Another problem is more immediately pressing for the people—the shortage of cash.

[Gaydar] In a sense this is a technical problem. But socially it is very explosive. Serious unpleasantnesses can be expected here. Of course, we are taking "fire brigade" measures—we have introduced indexation for wages put on deposit, on the basis of an annual interest rate of 80 percent. This is not a bad way to alleviate the problem. True, it costs money too, but with far less of the losses that could result from a social explosion. After that it is all a matter of organization and technology. Can the printing presses take the necessary "pace"? How quickly will we be able to put bigger bank notes into circulation?

[IZVESTIYA] But when you talk about issuing bigger notes, people start thinking about hyperinflation.

[Gaydar] You have to "hold" inflation not at the level of the printing press, but at the level of noncash emission. When people say, on the one hand: You aren't giving enough credits, interest rates are too high; and then on the other they demand: Stop the printing presses—this defies logic. When I hear people say we have hyperinflation, I want to ask them: Where and when has hyperinflation ever been combined with a fall by almost half in the value of the convertible currency compared with the national currency?

[IZVESTIYA] Don't you think that successes in the accelerated printing of cash will in the end negate your real achievement—the fall in the dollar rate?

[Gaydar] I don't think so. Here you have to look at the relationship between the noncash rate and the cash rate. In January the distance between them was something like 40-50 percent. Now the noncash rate has come practically level with the cash rate—the difference is on the order of 5-7 percent...We will lose this achievement if we drastically reduce the credit interest rate. Why this need for cash? When there is a cash shortage, a discrepancy arises—inevitable in economics—between goods that come directly onto the consumer market, and those that go via the noncash market. For instance—grain and meat. Grain is bought for noncash money and at insanely high prices. Meat goes straight onto the consumer market and is relatively cheap, compared to other goods. And the whole of livestock farming faces colossal losses. Such disproportions must not be allowed...[Gaydar ends]

[Journalists' interpolation] However ridiculous the situation may appear when people are not given the money they have earned because of the shortage of bank notes, we would particularly like to highlight the thesis Gaydar mentioned concerning the payments crisis. Basically it reflects a striking peculiarity of the current Russian economic reform. This is that even positive ongoing aspects of the reform are outwardly seen in negative terms—at least, in many people's minds.

Indeed, things could hardly be worse, we hear on all sides, if the enterprises' debts to one another have gone far beyond the trillion-ruble mark! That is true, but on the other hand, this is the first time for many decades—since the NEP [New Economic Policy, in the 1920's]—that we have seen the emergence at long last of a **normal** situation, in which enterprises, rather than delivering their output to one another according to a prescription from above, have to **trade**. In other words, increased significance is attached not only to the goods, but also to money—this is a move, albeit with striking attendant circumstances, in the direction of a market economy. And that is why the vice premier repeats the incantation: Credit interest rates must not be reduced! [interpolation ends]

The Ruble Area and the Outside World

[Gaydar] One of the most deep-seated problems that will dominate the coming months is the problem of the ruble area. We are now gradually, so to speak, nudging the sovereign republics toward two possible options. Either they start intensively introducing national currencies, or we conclude strict treaties with them regulating monetary policy in the ruble area. Both are realistic possibilities, with different republics.

It must be counted as a definite success that we have agreed to begin talks with Ukraine on the introduction of a Ukrainian noncash ruble. Here it is noncash transactions that will be of paramount significance. We have agreed in principle that the Ukrainian noncash ruble will cease to be legal tender on Russia's territory, and the Russian one will cease to be legal tender in Ukraine. Thus a money market, a market exchange rate, will arise. Further: Russian enterprises' obligations to Ukrainian ones are paid into their accounts in Russian rubles, and vice versa. A system of interconvertible currencies will be established. The Russian ruble circulates normally in Ukraine, the Ukrainian ruble in Russia; there are markets, and so forth. We arrive at the maximum possible market element in resolving the problem. We are holding talks on the same pattern with Estonia, and hope to begin them with Lithuania and Latvia. The other possibility: Armenia, for instance, intends to continue to use the ruble and is prepared to accept our rules of the game. We set the rules, and both sides follow them—under international supervision. This is probably the most important medium-term problem. And it is very important that our Central Bank should not be paralyzed.

[IZVESTIYA] Certain CIS republics—Ukraine, for instance—are making energetic efforts to cordon off their own production, detaching it from the former Union network. They are trying to make their own cars or television sets, independently of their neighbors. Is the Russian Government taking similar steps?

[Gaydar] It is. This applies particularly to certain key production facilities. But this is by no means the optimum course. On the contrary. This so-called import-substitution industrialization (the Romanian or Argentine scenario) will do no good, and is more likely to lead to an impasse.

[IZVESTIYA] We are talking so much about the ruble, but not a word yet about its convertibility, without which....

[Gaydar] That is certainly the key question. To some extent we have bound ourselves with pledges to international organizations, and must act quickly and rigorously. When, immediately after the Russian Congress, we arrived in the United States, the tone we sensed in the talks was like this: Your situation is very difficult, we support you, of course, but let's freeze all this for six months or so. We will postpone the talks on loans and credits, you sort things out back home, and we'll come back to it some time in October or November. We had to take charge of the situation and demonstrate that we are by no means demoralized, and are prepared to go ahead.

This is the only possible strategy now. Maneuvers involving a retreat are not appropriate. They are destructive. That is why we were forced to take on fairly rigorous commitments aimed at a standardization of the rate, a firm policy on interest rates, and the introduction of convertibility for current transactions. Incidentally, there is nothing so stunning about that. Basically it all exists already in practice. The problem is how to drastically expand the scale of the currency market and put a far greater volume of currency revenue through it. Remember, we were forced to start the reform with zero currency reserves. Yet that is the key to everything! Without that, we are like a ship with its rudder jammed. Worse, we are being forced to maneuver with this jammed rudder. And that is how it will be until we receive at least minimal currency reserves, and with them the possibility of rapid maneuvering. Frankly speaking, we had hoped to receive reserve currency credit by 5 July. This is most likely an overoptimistic prediction. Let us not speculate about when it will happen, but the main thing is that it should not wait till September.

[IZVESTIYA] It depends on our partners too.

[Gaydar] Of course, they are aware that this is a crucial time, that delay is dangerous, but they are also aware of the inevitable element of risk. In essence the IMF's own fate is today inseparable from Russia's fate. If it gives way, it cannot be ruled out that it will cease to exist entirely. There is now no more important historical task for it than the reforms in Russia and Eastern Europe. And they are well aware of that.

[IZVESTIYA] To all appearances, Boris Yeltsin will take part in the G-7 meeting in Munich. Is there a package of requests, proposals, and demands from us to the West in this context? We can presumably make demands, since we have received so many assurances of support for the reforms?

[Gaydar] A package is being drawn up, but for obvious reasons I do not want to discuss these questions now.... [Gaydar ends]

[Journalists' interpolation] Another difference between the present reform and all previous reforms pursued under party and government resolutions: Those "semi-reforms" were implemented in isolation from the world economic process, on the basis of the principle of "reliance on one's own efforts." And the germ of failure was inherent in this emphatic "ideological and economic sovereignty." The socialist economy, while it basically remained socialist, always proved unreformable.

Today's reformers, freed from ideological prejudice, are trying to integrate the Russian economy into the world economic community not in words, as was the case in the days of the Union perestroyka, but in practice. And whatever the "patriots" may say about "betrayal of national interests," in this case the reformers are moved by purely pragmatic interest: Only Western aid (and not so much intellectual, in the shape of the "exchange of experience," as material, in billions of dollars) will make it possible at last to reform our "illogical" economy. Whether this will succeed or not, whether we will have sufficient fortitude and they sufficient funds, the not too distant future will tell. But one thing that can certainly be counted to the credit of the reform government is the directness and openness with which it is following this course. [interpolation ends]

"No Catastrophe in the Production Sphere"

[IZVESTIYA] Yegor Timurovich, is there anywhere where reforms have taken place in worse conditions than in Russia?

[Gaydar] I don't think so.

[IZVESTIYA] Ordinary people are haunted by a daily sense of chaos and catastrophe. And this feeling is by no means always associated with their personal difficulties. You have your finger on the economy's pulse. What do you feel—is it still alive, interacting, and in what proportions?

[Gaydar] If, back in December, when all this was beginning, someone had told me that at the beginning of June we would be sitting in your editorial office calmly discussing the course of the reform, and indicators in industry and agriculture would be where they now are, I would have called him a hopeless optimist who did not understand the depth of the crisis or the price that would have to be paid. Nothing drastic has yet happened in production as a whole. True, the situation is critical. True, there is a downturn in production. But thus far it is less than was expected. I would be happier if it was not

so severe in the sphere of oil, high-tech consumer durables, and meat. This downturn is structurally heterogeneous. And I could tolerate an even greater decline in production in, say, certain types of defense equipment. The downturn in production is absolutely inevitable, it will continue throughout this year at least, especially when you consider that it has been going on not since January 1992, but at least since 1988. We had to pay a very high price for the rejection of reforms, and now for the belated switch to reforms. True, in the course of the reform various dramatic features keep rising to the surface—the cash shortage again, for instance. True, there is a difficult situation in the CIS. But nonetheless, I repeat, there is no catastrophe in the production sphere.

[IZVESTIYA] They say you are a macrolevel specialist, a strategist, a conceptualist. Do you need "dispatches"—reports on the state of affairs in metallurgy and oil extraction, on the food "front"?

[Gaydar] I receive that kind of information every day. But I look at it weekly, not daily.

[IZVESTIYA] Do you think this information is objective?

[Gaydar] As a rule, it is concrete. If you take physical indicators, excluding sectors like construction and motor transport where there has traditionally been substantial overreporting, that is, if you reckon up how many actual cars have been produced, how much oil in millions of tonnes, and how much electricity in kilowatt-hours, this information has in principle always been good quality, and remains so now. Though incidentally, nowadays there is no point in overreporting and trying to show things that are not there.

[IZVESTIYA] Sometimes the opposite happens—people conceal what they have produced.

[Gaydar] They are engaged in the opposite kind of game—trying to overdramatize the situation....

Government and Parliament

[IZVESTIYA] To all appearances, the friendship between the parliament and government is not working out. Having adopted a declaration at the Congress supporting the course of reforms, in practice parliamentarians are following the spirit of the earlier resolution, which differs fundamentally from the declaration. One gets the feeling that the Supreme Soviet is deliberately blocking all the government's fundamental proposals. The law on bankruptcies, without which it is impossible to stabilize finances, was wrecked, and the privatization program and amendments to the law on privatization were postponed again. Do you have the feeling that your work is hopeless in a parliament with which you simply cannot come to terms?

[Gaydar] Even in impossible situations you have to look for a solution. It is very regrettable that the law on bankruptcies was not adopted. This means that enterprises producing output that nobody wants or offering their goods at excessively high prices are continuing to operate in the same spirit, continuing to pay wages to their workers. In this situation they can hardly be expected voluntarily to reduce prices, change their product, or get rid of surplus property.

Most likely they will expect, or demand through their lobby in parliament, the writing off of debts, budget subsidies, or at best cheap credits. Which is in fact happening in practice. But to insist on the writing off of debts and the granting of subsidies amounting to many billions and cheap credits, and at the same time to demand a curb on inflation—that is economic madness, an impossible task.

All the same, I am no advocate of diagnoses of hopelessness. You have to talk to people, try to convince them, talk to them again, try again. Sometimes even the most "hopeless" opponents accept our arguments. Some of the most implacable critics of the privatization program were representatives of the Workers Union [Rabochiy Soyuz]. After a series of talks they admitted that the position of the State Committee for the Management of State Property is quite justified. True, they did not promise immediately to revise their own position, referring to the need to consult with their colleagues in the Workers Union. All the same, it is a sign that our cause is not completely hopeless in parliament.

True, the bankruptcy law was wrecked, but there is the law on enterprises and entrepreneurial activity, which offers certain opportunities to influence potential bankrupts. So the privatization program has been postponed? But a presidential decree is in force on this matter, enabling us to continue the process that has already begun.

Of course, all this causes additional complications and delays the reform. But I do not think the situation is hopeless, and we will find compromises that are acceptable to everyone.

Level of Control Over the Situation

[IZVESTIYA] What is the degree of implementation of government decisions and directives?

[Gaydar] This is a very interesting question. Performance discipline is changing in quite an interesting way as time goes on. Right on the eve of the Congress of People's Deputies, for instance, and at the very beginning of its work, virtually none of our directives was being implemented. Obviously some people were expecting a change of government...After the Congress the level of implementation increased drastically.

But it must be said that we do not have, and are unlikely to have in the foreseeable future, the kind of well-oiled system of noneconomic coercion, party monitoring of implementation of decisions, and punishment or intimidation of culprits, on which the whole of the former economic mechanism relied. Fortunately we have left that behind, but this good fortune must be paid for, and

it is not cheap. A new and sufficiently effective mechanism for putting the authorities' decisions into practice does not yet exist.

At the same time I wish to say that on the whole our decisions are being fulfilled. Of course, problems not infrequently arise, but when that happens we have to resort to a range of repressive economic measures: revoking export licenses, refusing subsidies, and so forth. These are not the best methods, I realize, but sometimes we simply have no alternative.

And in any case the level of control over the situation is an order of magnitude higher than it was in December, when I personally simply had a sense of total chaos, and no levers were working at all.

[IZVESTIYA] And now that, as you say, some levers have begun to work and control has begun to be established over the situation, new crew members are appearing on board the ship, including senior officers, and you are, so to speak, being pushed out of control functions. What we are referring to is that the actual management of the economy is being handed over to others, to practitioners, who are not bound to you and your colleagues by any relationships of command or any commitments.

Will this mean that your team finds itself in the role predicted for it by some commentators, that is, the role of state commission for reform under the Union Council of Ministers? Are you personally worried about the prospect of a possible "Abalkinization" of the team, as people are putting it?

[Gaydar] The government personnel cannot remain completely unchanged. Preserving the policy, the immutability of the course of reforms, is another matter. I think this course remains unchanged thus far.

[IZVESTIYA] How do you feel, in conditions of all-out criticism from left and right, including criticism from those who are more or less professionals at it? You were well aware, of course, that you would be criticized, but to what extent does imagination differ from feelings, are you hurt by what is happening?

[Gaydar] You know, taking a broad view, it does not worry me much. When you are prepared for it, a kind of anesthesia develops. But sometimes it can be very hurtful in human terms, when people who really understand everything quite well, people you have always respected, say things that are either laughable or bizarre to read.

[IZVESTIYA] On coming to power, the new Russian cabinet and you personally stated that this will be the most incorruptible government. And as yet there have apparently been no scandals at the level of members of the government. But something else is also lacking: You declared war on the corruption which was and is flourishing at the level of high-ranking executives and middle-level and, indeed, low-level civil servants. The appropriate services have been set up in your apparatus and a number of other departments. But we have yet to hear of you catching anyone or breaking up any major swindle by state employees. Are you having no success in this war, or do you not want to publicize your achievements?

[Gaydar] The war on corruption is, as a rule, a war of position, there are no easy victories or striking successes here, such things are more likely to indicate a superficial approach oriented toward pure show. Moreover the imperfect nature of the legislative base, not being designed for our unique conditions of the transition to a market economy, does not allow us to rely solely on traditional methods, and the law enforcement organs are not always capable of dealing with crimes of this kind. That is why a financial and legal control commission has been set up under the government, which, operating within the framework of in-house investigations, has managed to halt a number of major transfer deals in the recent period alone. Behind every one of these operations lie deals between civil servants and interested parties. True, bribes are no longer taken on the old pattern, when people used to bring a suitcase full of money. Now they draw up fictitious contracts between commercial structures and make transfers from one account to another—and it is practically impossible to detect the end of the chain by conventional legal methods.

Is the commission enjoying success? Well, for instance, it has managed to recover for the state tens of millions of rubles and a quantity of high-grade computer equipment which "disappeared" in the process of the abolition of the former Russian Ministry of Economics, with the help of former First Deputy Minister L. Zapalskiy. This case is now up to the law enforcement organs.

Work is in progress to recover for the country money that has gone abroad unlawfully. The well-known firm Kroll Associates is helping us here. But we have to do the greater part of this work ourselves.

[IZVESTIYA] What is your view of unfulfilled promises and predictions that do not come true? The level of inflation that exists today, for instance, is substantially in excess of the estimates you gave in January-February for the middle of the year. You also said that the cash crisis would be resolved in mid-March, but this crisis is only getting worse. You said you would stop dollar circulation on Russia's territory from 1 July, but by all appearances this will not happen. We do not want to go on repeating your own promises to you, you know them better than anyone. How do you propose to pay off this domestic political debt?

[Gaydar] About these predictions. There were mistakes as regards percentages and specific dates, but in terms of the nature of the problems—soluble and insoluble—and the range of questions which will become more acute as

time goes on, we have no real reason to blush. Moreover, we remember situations when we used to say: Such-and-such will happen, and people used to reply indignantly: What are you talking about, that will never happen—for instance, the fall in the dollar rate, the reduced intensiveness of goods shortages, the strengthening of the ruble's role in regulating economic ties.

The enterprise directors who came to the government in November-December could not believe that the eternal kingdom of barter would come to an end and that they would need that very same "wooden" money, which seemed to have become as worthless as candy wrappers. But now they say only one thing: Give us money....

As for political promises, to be honest I have always been skeptical about detailed reform programs. When you start putting this into practice, you see how unreliable it all is. Of course, people need promises. But here, in my view, we need a "division of labor." The politicians can make promises. The professionals should get on with the job.

[IZVESTIYA] What do you consider the government's main achievement in the last six months?

[Gaydar] We have cut the Gordian knot of irresolution, when the reformers used to go on talking endlessly about reforms, but lacked the boldness to make a start. This applies first and foremost to prices. A kind of fetish had developed, that it was impossible to liberalize prices because of the danger of a social explosion. It was irresolution in this sphere, among other factors, that wrecked Gorbachev's economic policy and his reform.

We managed to overcome this barrier, and, most important, to do so without major social upheavals, with enormous tension, but without much bloodshed, without unleashing the mechanism of hyperinflation. People talk a lot about hyperinflation now, but the danger of it happening is incomparably lower today than last December, when it seemed almost inevitable.

Now, thanks to liberalization, a return to the old economy is practically impossible. And it is not only in the economy that irreversible processes have taken place. There can be no return to the old social system either.

[IZVESTIYA] You are convinced that the restoration of totalitarianism is impossible?

[Gaydar] I do not have much faith in it, although I do not rule out the theoretical possibility, given a certain combination of circumstances, of the emergence in Russia of a fascist regime with a militarized economy, and not on the Pinochet model, but far worse. But if tyranny is capable in principle of being restored, the restoration of the relatively stable society that existed under Brezhnev is impossible, just as the restoration of the Stalinist regime is impossible. The "great idea" on which it all hinged is no more. People have changed... [Gaydar ends]

Those assembled in the chief editor's office had plenty more questions for the Russian vice premier. But the phone rang, and Yegor Timurovich was reminded that he was expected. Expected in parliament...

The argument about the future of the Russian reform goes on. And God forbid that it go beyond the bounds of civilized debate.

Churkin To Head 'European Aspects' of Policy

OW0806155692 Moscow INTERFAX in English 1449 GMT 8 Jun 92

[Report by diplomatic correspondents Igor Porshnev and others; from the 8 June "Diplomatic Panorama" cast—transmitted via KYODO]

[Text] As was earlier reported, Vitaliy Churkin has been appointed Russia's deputy foreign minister. Churkin told IF [INTERFAX] that he was placed in charge of the European aspects of the Russian foreign policy. He will also continue to head the Russian Foreign Ministry's Information and Press Department. DP [Diplomatic Panorma] note: Vitaliy Churkin was born in Moscow in 1952. In 1974, upon graduation from the Moscow Institute of International Relations, he took a job at the Soviet Foreign Ministry. From 1974 to 1979 he was involved in the START-2 talks; from 1980 to 1981 he was a member of the Soviet-American commission for the implementation of the START Treaty and from 1981 to 1986 he was in the staff of the Soviet embassy in Washington.

When Eduard Shevardnadze became the USSR's foreign minister, Churkin was appointed his adviser and chief of the Soviet Foreign Ministry's Information Department. Under Shevardnadze's successors Aleksandr Bessmertnykh and Boris Pankin, Churkin continued to run the Soviet Foreign Ministry's information service. Following the USSR's break-up, he was the Russian Foreign Ministry's spokesman.

Churkin has the rank of ambassador extraordinary and plenipotentiary. At the beginning of 1992 he was appointed Russia's ambassador to Chile and received Chile's consent, but before his departure to that country he received a new appointment.

One of the forthcoming issues of the Diplomatic Panorama will carry an interview with Russia's new deputy foreign minister.

New Vice Premier Chernomyrdin Profiled

PM0306113392 Moscow IZVESTIYA in Russian 2 Jun 92 Morning Edition p 2

[Article by Sergey Leskov: "New Appointment to Russian Leadership Should Invigorate Entire Country"]

[Text] The admittedly necessary cadre reshuffles in the Russian leadership are continuing. A Russian presidential decree has appointed Viktor Chernomyrdin—hitherto chairman of the board of the "Gazprom" concern—as vice premier of the country's government.

Viktor Chernomyrdin has been given a key position—he will be regulating the fuel and energy complex, which has turned into one of the economy's sorest points. Chernomyrdin's name is well-known in the sector. Viktor Stepanovich is 54, he moved from being a worker to director of the Orenburg Gas Processing Plant. He worked for several years in the CPSU Central Committee apparatus and was minister of the gas industry in the first "perestroyka" Ryzhkov government.

The "Gazprom" concern, which the new vice premier headed, was virtually the only state structure which managed not only to completely maintain its links with the former Soviet republics, but actually strengthened them. "Gazprom" became the first and only interstate joint-stock company. It was founded by Russia, Ukraine, and Byelarus, and applications for acceptance were sent in by all the former Soviet republics (apart from Turkmenistan), including the Baltics and Georgia. Of course, an explanation for this could be found in the technological features of gas pipelines, but, clearly, there is no gainsaying the new vice premier's political skills. Nor can we fail to note that over the past year the gas industry has been the only fuel sector not to allow any drop in production—despite masses of problems.

The new appointment to this key post (just a few days after the promotion of the other vice premier, G. Khizha) can be seen as a response to recent criticism of the Russian Government. V. Lopukhin, who has been removed from the post of minister of fuel and energy, was considerably younger but did not have the practical experience, nor could he claim any great authority among enterprise leaders. Now for the first time a minister from the Gaydar "team" has been replaced by a leader with greater practical experience, and his "party" background and closeness to the former leadership proved no impediment.

The same day that the decision was made on the new appointment B. Yeltsin ratified a number of measures to stabilize the fuel and energy complex. In particular, support has been given to the request to allocate a targeted loan of 220 billion rubles to procure seasonal stocks of fuel before the end of the year. A decision has been made to exempt enterprises in the complex from the tax on profits invested in production. A decision has also been made to develop major new gas fields on the Yamal Peninsula, in the Barents Sea, and on the Sakhalin shelf. But, at Gaydar's insistence, there was no support for the request to exempt enterprises in the oil and gas extracting complex from customs duties, which provide the bulk of the treasury's foreign-currency revenues. It was decided that the price of oil and petroleum products would not be allowed to float in June.

On the whole, this range of measures shows a favorable top-level attitude toward the new vice premier, who on the very first day of his appointment was helped by a decree from above to avoid a number of problems that had plagued his predecessor. Vice Premier Chernomyrdin will have to sort out any new problems himself.

Shumeyko Post 'Capitulation' to Industrialists

MK0306113092 Moscow NEZAVISIMAYA GAZETA in Russian 3 Jun 92 p 1

[M.L. report under the "News in Brief" rubric: "Shumeyko Is First Vice Premier"]

[Text] Vladimir Shumeyko has been appointed first deputy premier of the Russian Government. The president has thus consolidated Gaydar's loss of control over the Russian Government's economic sphere.

Whereas in past alliances the figure of Shumeyko could be regarded as a reinforcement of the reform team's political base and a concession to the industrial lobby, in the present alignment of forces this may just be a capitulation to the industrialists. If so, it will be a matter of weeks or even days before the policy of financial stabilization is abandoned and Gaydar's people are purged from the government cabinet.

Yeltsin To 'Umpire' Two Teams of Government

LD0306124192 Moscow Radio Rossii Network in Russian 1800 GMT 2 Jun 92

[Text] On Tuesday, 2 June, Supreme Soviet deputy chairman Vladimir Shumeyko was appointed First Vice Premier of Russia by decree of Boris Yeltsin. Incidentally, on Monday,1 June, Anatoliy Chubays, Chairman of the State Committee for Management of State Property, became a new government vice premier. These cadre changes are assessed by Andrey Krasnov:

[Begin Krasnov recording] [passage indistinct] told Vladimir Shumeyko in his interview to MOSKOVSKIY KOMSOMOLETS which was published Tuesday morning. A few hours later, TASS released the text of the Russian President's decree nominating Vladimir Shumeyko. This inconsistency is quite characteristic of the current atmosphere in extra-governmental circles. Of late, cadre changes in the Cabinet of Ministers have been on a scale indeed worthy of Boris Yeltsin. Virtually every day, Yegor Gaydar gets a new vice premier. Georgiy Khizha, one of the leaders of the military industrial complex, was the first on the reshuffle conveyor: he made a truly breath-taking high jump—from St. Petersburg deputy mayor to vice premier.

In the meantime, Vladimir Lopukhin, Minister of Fuel and Power Engineering, has undergone an equally breath-taking fall: on 30 May Boris Yeltsin removed him from office and nominated in his place Viktor Chernomyrdin, who used to be the head of the USSR Ministry of Gas Industry. However, the game of musical chairs by no means ended here. On Monday, the Russian President appointed another St. Petersburger to the post of vice premier. This is Anatoliy Chubays, who used to be Anatoliy Sobchak's chief economic adviser, and recently was the head of the Committee for Management of State Property. Chubays is regarded as Gaydar's protege, and his nomination would seem to be consolidating the reformers' position in the government.

However, Boris Yeltsin has made yet another cadre move now, and the post of first vice premier goes to Vladimir Shumeyko, who has been supported for quite a while by the Directors' lobby in the parliament.

As a consequence, there are two different wings in the government now: a team of young economists headed by Yegor Gaydar and a faction of directors, old practitioners personified by Vladimir Shumeyko. Incidentally, formally both first vice premiers have equal rights now. Under the circumstances, acute intensification of the struggle inside the government itself seems inevitable. It has in effect stopped being a single economic team, and what is more, it has completely lost its political independence. Now the distribution of forces is completely dependent on Boris Yeltsin turned umpire: from now the president has a chance to play for both whites and blacks at the same time. In politics, unlike chess, that is wholly possible.

Chubays Supports New Government Appointments

OW0806225592 Moscow INTERFAX in English 1913 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] Vice-Premier Anatoliy Chubays disagrees with the viewpoint that new appointments in the Russian government turned the Gaydar team into "a decoration against the background of the new leadership". Speaking at the conference of the newspaper "Asahi Simbun" and the Harvard University in Moscow Monday [8 June], he said that the reshuffle in the Russian government led not "to the creation of an alternative team, but to the strengthening of the existing team with the practical people who share the reformist ideology".

Commenting on the privatization problem, Chubays revealed that the government is facing "a very strong opposition of the communist bloc in the Russian parliament, which seeks to disrupt privatization under the slogan of protecting labor collectives".

At a briefing in the Russian State Property Committee on the same day Chubays suggested that the most heated debates will be in Russian parliament Wednesday over the state privatization program for 1992. In the words of Chubays, "that will be the second and the last battle between supporters of the "popular privatization" enabling every citizen to get a share of the property and those favoring the reduced variant of the privatization when only people close to the property can receive it".

Chubays said the fact that the parliament did not adopt the privatization program for 1992 can pose a threat to the privatization process as a whole. Experts of the State Property Committee estimate that if labor collectives are given the exclusive right to buy out their enteprises, the state will be able to transfer no more than 700 rubles to privatization accounts of the rest.

Chubays on Need for Privatization Law Amendments

LD0806195392 Moscow Russian Television Network in Russian 1600 GMT 8 Jun 92

[Report by S. Vozianov, including recording remarks by Anatoliy Chubays, chairman of the state committee for management of state property; from the "Vesti" newscast]

[Text] The market economy is unthinkable without effective and just privatization, and whether all members of society or just individual groups grow rich depends on how these two conditions are observed. Judging by the mood of Anatoliy Chubays, chairman of the state committee for management of state property [Goskomimushchestvo], at today's news conference, the first battle with the parliamentary opposition over public privatization has been won.

[Chubays] On Friday [5 June] a law on privatization was adopted—or, to be more precise, amendments to the law on privatization—in an absolutely normal, neutral, and sensible way. This will give us the opportunity, as was our plan and intention, to set up a system of private privatization accounts by the end of this year so that all categories of the population, without exception, are involved in privatization.

[Vozianov] This means that every one of us will receive our share of the enterprises' value in the form of valuable papers. But, according to Anatoliy Chubays, it is too early to celebrate a full victory. On Thursday, a state program for privatization will be put to parliament for approval, and the entire progress of transferring state property to private ownership will depend on how it is approved. [video shows Moscow streets and retail kiosks, and Chubays at a news conference]

Chubays Expands on Privatization 'Journey'

LD0806144292 Moscow Russian Television Network in Russian 0700 GMT 6 Jun 92

[Interview with Anatoliy Borisovich Chubays, chairman of the State Committee for Management of State Property and Russian vice premier, by program announcer L. Kotova; place and date not given; live or recorded; from the "Plus 11" program]

[Text] [Kotova] Anatoliy Borisovich, what is the place of privatization in the present economic reform? Some say it is the most important part of the economic reform, others say nothing at all can be done without privatization, while a third view is that privatization can be put off until later. What do you think?

[Chubays] I think it happened that we—meaning the Russian Government—found ourselves in such difficult conditions that we had, above all, to adopt a set of very extraordinary, semi-military measures connected primarily with saving the ruble. That was a matter of life and death in November and December, and that is what we tackled, first and foremost. That was the first stage of the reform—which, as a whole, we managed to do.

The economic situation is difficult, we have a mass of problems and a low standard of living, but at the same time, the financial system in the country is functioning. This is the result of the first stage. But we are well aware that it is impossible to progress further on the basis of this while we have the same enterprises and the same relations between them and while they work in the same style and manner, and until the main problem, privatization, is resolved. In this sense, now, in the second stage of the reform, the May stage of the reform, privatization, the transformation of forms of ownership, is indeed becoming perhaps the main component of our reform.

[Kotova] And how do you think privatization in Russia is going now?

[Chubays] I believe that, with great difficulty and enormous efforts in a very hard political struggle and various kinds of confrontation, we have managed not only to get moving after a standstill—for the situation was at a standstill at the end of last year and the beginning of this—but to begin to set that immense flywheel of privatization spinning, at least as far as privatization of small businesses is concerned. Moreover, public opinion is somehow paying more attention to the major cities here, but what is important to us is that real privatization has got going in the peripheral towns, if I may use that term, and not only in oblast centres, but in rayon centres now as well. We are entering a situation where an auction is held regularly, on Saturdays say, in a small rayon town in Nizhniy Novgorod oblast, at which two, three, or four shops come up for sale, and they get sold and bought—consequently, a process of privatization is in motion. This probably could be done more quickly, but on the whole, I believe that this work has started moving in real terms.

[Kotova] What problems have you faced in the course of privatization, and have they taken you by surprise?

[Chubays] If I were to start going through the whole list of problems which we have faced, I fear it would take up more than one program. But, to mention the main ones, in order for it to happen it is necessary, above all, to set up a functioning system, including, primarily, a legal foundation, which we did not have. I could list the normative documents of the Supreme Soviet, the president and the government - no fewer than a dozen have been drafted and adopted. Before that we had to establish an organizational structure. Today there is a department of the State Committee for Management of State Property operating in each of Russia's 86 oblasts and in most of the 20 republics within Russia. Before that we needed to resolve a mass of extremely routine, boring problems, from accommodation to the selection of people, provision of communications for them and training—that's the whole system which we prepared. Those were the practical problems. But, of course, they did not take us by surprise, although they were very large.

We did have serious political problems, because, clearly, privatization is the part of the reform which attracts the attention of all political forces and where each political group has an idea on how it should be done—to whom ownership should pass, who should be entitled to possess it—and the government is the only force which has somehow to bring all these ideas together and to conduct this process in such a way as to preserve the balance of forces and these diverse approaches without letting them express themselves in direct conflicts which would simply bring the whole process to a standstill.

[Kotova] I pay tribute to your courage, because it is indeed incredibly difficult, and I wish you all the best on this journey.

[Chubays] Thank you very much, but I feel that we are only just beginning our journey. We have a very great deal still to do. Privatization of large enterprises is, essentially, only just starting, just as we are now only just starting concentrated preparation for what we call popular privatization—by which I mean a personal privatization investment, which is due to be distributed to all Russia's citizens this year so that everybody can have access to privatization, regardless of whether he has any savings or not. That is our most important task now.

Decrees on Staff, Security Council Reviewed

OW0806212692 Moscow INTERFAX in English 1701 GMT 8 Jun 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin and edited by Boris Grishchenko; from "Presidential Bulletin" No. 89—transmitted via KYODO]

[Text] The President has asked the chief of his office, Yuriy Petrov, to authorize a staff of the presidential advisers' service and office. The adviser service will have a staff of 26, and the office will consist of 22 technical staff. This spells a one-third reduction. IF [INTERFAX] note: These measures follow the presidential decree to reorganize the apparatus of the Russian President's office. Among other things, the decree provided for a reorganization of Boris Yeltsin's secretariat into a service of advisers and technical bureau coupled with a general reduction of personnel.

A presidential decree of May 8 has appointed 44-year-old Viktor Ilyushin first assistant to the head of state. He told IF [INTERFAX] that the assistants' main mission will be to make arrangements for the President's working day and to translate his policy into life. The pay rates of advisers and technical staff vary from 3.5 thousand to 13 thousand rubles.

The President has signed an instruction to authorize the temporary structures of Russia's Security Council. The senior officials of the Security Council will total 80 and have a pay fund of 970 thousand rubles. The financing of the Security Council is included in the list of expenses of the Russian President's office.

The document says there is going to be a special fund to pay for various kinds of work done on contracts the Security Council will conclude with research organizations. The instruction contains a number of other specific measures called to ensure the effective operation of the Security Council.

Government, Bank Disagree on 'Tactical' Issues

OW0806225392 Moscow INTERFAX in English 1913 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] The government supports "the strategic policy of the Central Bank," said deputy chairman of the Central Bank of Russia (CBR) Dmitriy Tulin on Monday [8 June].

Speaking at a press conference with the Bank's leadership, Tulin noted that "the Bank's entire fiscal policy, (including increasing the interest rate) is carried out in close coordination with the government...We only have disagreements over tactical questions," he emphasized.

With regard to the reasons for Georgiy Matyukhin's, the CBR chairman's, resignation last week (which was rejected by parliament), the first deputy head of the CBR Vladimir Rasskazov stated that "one million rubles were demanded from the CBR" at a minimal interest rate in order to solve Russian enterprises' debt problems. "We could not agree to this," Rasskazov says. He also stated that the main critics of the CBR's strict credit policy remain the agro-industrial complex, the military-industrial complex and some Moscow commercial banks.

Central Bank representatives also announced that the government and the Bank agreed on the main policies regarding the liquidation of mutual debts held by Russian enterprises, the total of which reached 1 trillion rubles on June 1st. There are plans for the government to receive long term credits from the CBR so that enterprises will be able to pay off their debts. At the same time the government and the CBR have decided to limit the growth of wages at enterprises which are in debt to their suppliers.

The issue of the amount of credit and concrete loan terms, according to CBR deputy chairman Sergey Ignatev, could be decided this week. He stated, however, that the government will receive credits at a very favorable interest rate, "from 20% and up."

The CBR's current interest rate for commercial banks is 80% annually. Ignatev also emphasized that the Central Bank is proposing in the future to raise the interest rate for CBR credits to the "market" level, which is now at 90-94%. "Each month prices rise 15-20%," Ignatev noted, "while at the same time, the interest rate for CBR credits does not grow by more than 7-8% a month on average."

MATYUKHIN DISMISSES HIS DEPUTY

The President of the Central Bank of Russia is reported to have dismissed his deputy, Vyacheslav Solovov. Before his work at the Central Bank of Russia Solovov was Deputy Chairman of the USSR Savings Bank.

Central Bank Seeks Stronger Role in Economy

LD0806181192 Moscow ITAR-TASS in English 1732 GMT 8 Jun 92

[By ITAR-TASS correspondent Viktor Petrenko]

[Text] Moscow, June 8 (TASS)—The Russian Central Bank issues a statement about the resignation of its leader, a sign that it intends to influence the development of the country's economy in full earnest and at the same time wants the public to pay attention to the problems long since formulated but unresolved.

This was the central message voiced by the Central Bank deputy chairmen at an hour-long news conference organised by the congress of journalists, an independent international association established last year.

The bank leaders responded to numerous questions about various aspects of the bank's activity. On the bank's relations with the parliament, Vladimir Rasskazov said the ballyhoo about the bank's leaders was a result of the struggle among different political factions in the parliament for control over it. He added that it is to the bank's credit that no one has accused it of political partisanship.

Touching upon the introduction of an 80-percent credit interest rate, Sergey Ignatyiev noted that the bank was not going to reduce it soon as the rate of inflation has reached 15-20 per cent a day, while 80 per cent per annum equalled no more than seven per cent a month. [sentence as received] As forecasts say that the economic situation is not going to become any better, the present credit interest rate is more likely to go up; than down, he stressed.

Dmitry Tulin told the news conference that numerous delays in banking transactions were mainly due to the lack of electronic equipment, but promised improvements in what he called task number one in the bank's activity.

At the same time, the leaders of the Central Bank denied charges that the Central Bank was to blame for the shortage of cash in the country. We anticipated this situation and warned the authorities, Rasskazov said.

He blamed the government for blunders and the failure to foresee the actual price growth rate. He pointed to the government's error in relinquishing control over the consumption fund. He also blamed the parliament for refusing a go-ahead to the printing of bills with bigger face values.

Nechayev Views Government-Central Bank Dispute

OW0506122892 Moscow INTERFAX in English 1112 GMT 5 Jun 92

[Transmitted via KYODO]

[Text] Russia's Economics Minister Andrey Nechayev has assessed the Parliament's decision to overturn the RF [Russian Federation] Central Bank [CB] chairman's resignation as positive since the Cabinet has at least worked with Georgiy Matyukhin already and has touched common ground with him. In the meantime, we believe that there has been a number of errors in CB policy, Mr. Nechayev remarked. The bank's chief mistake, in his opinion, is that by exclusively technical measures (for instance, by transition to the mail delivery of accouting documents), the CB has, in fact, paralyzed accounts. In the cash account centres of the Bank of Russia there are payment documents, worth nearly 200 billion rubles, being wasted for the national economy.

Commenting at the "IF" [INTERFAX] correspondent's request on Mr. Matyukhin's proposal to eliminate the cash crisis by freezing wages and prices for some time, Mr. Nechayev dismissed this as a dangerous illusion. If prices are frozen, the old distribution system will have to be revived, and this means the State Contract and rigid State Plan will have to be recreated, the Economics Minister stressed. In his words, there is no way to freeze prices in a simple way since they'll be covertly rising or there'd be what already happened at the end of 1991—suppressed inflation, manifested in the total shortage of goods. [sentence as received]

Mr. Nechayev also underlined that it was impossible to freeze wages once and for all for purely technical reasons and for social and political considerations. However, in his opinion, it would be sensible to temporarily arrest wages at the enterprises that have been chronically in debt.

He reported that to settle the insolvency problem, the Government had suggested indexing the current assets of enterprises. At the first stage, the Cabinet is ready for an extra emission of 300 billion rubles, and in the long run, up to 700 billion rubles will be required, Mr. Nechayev pointed out.

'Odious,' 'Desirable' Bank Candidates Assessed

PM0406155992 Moscow KOMSOMOLSKAYA PRAVDA in Russian 4 Jun 92 p 1

[Report by I. Savvateyeva: "Playing for High Stakes in the Kremlin. Who Will Bust the Bank?"]

[Excerpts] Georgiy Matyukhin, chairman of the Central Bank of Russia Board, has tendered his resignation. One of his deputies, Vladimir Rasskazov, has decided to quit his post together with his boss.

Georgiy Matyukhin, who, under the leadership of the Russian authorities, disbanded the USSR State Bank after the putsch and who spoke many words from every possible kind of platform about the necessity of the economy's market regulation, was in essence a typical representative of the old command system. Instead of seeing to the credit and monetary system's regulation with the assistance of market mechanisms, the Central Bank, like its Union predecessor, has continued to remain merely the largest and most important bank distributing the lion's share of credits. [passage omitted]

And so what is to happen? There are several candidates putting themselves forward for the board chairmanship. The most likely contenders are: Yakov Dubenetskiy, current chairman of the Industrial Construction Bank; Dmitriy Tulin and Sergey Ignatyev, who are Matyukhin's deputies; and Boris Fedorov, former Russian minister of finance, now manager of a department of the European Bank for Reconstruction and Development.

Experts from banking circles regard Dmitriy Tulin as taking a market-oriented viewpoint in general. However, he was for a long time Matyukhin's trusty support, his right arm, so his candidacy could raise questions as much among the "right" as the "left."

Sergey Ignatyev, who was just appointed Matyukhin's deputy, is the Russian Government's emissary to the Central Bank. Specialists consider that he is not a "banking sort." His closeness to the government is both a disadvantage and an advantage.

The most odious figure is Yakov Dubenetskiy, leader of the largest state specialized bank and a prominent representative of the galaxy of leaders in the socialist mold. His chances of victory are very high. The conservatively inclined Supreme Soviet which is endorsing the candidacies may very likely place its choice in him.

And finally there is the most desirable figure from the point of view of the economy's interests and in the estimation of experts from banking circles—Boris Fedorov, a convinced supporter of the market, and a high-quality specialist who has direct knowledge of the world banking system. But Fedorov will certainly not suit the "right," and his independence and autonomy could raise questions on the government's part.

The interregnum at the Central Bank could be prolonged for a week or at most two weeks. By the way, Matyukhin's resignation has not yet been accepted. It is possible that the question will be resolved today after the Supreme Soviet has heard his answers...

Commission Discusses Wage Payments, Cash Flow

PM0406152392 Moscow IZVESTIYA in Russian 4 Jun 92 Morning Edition p 2

[Report by Vasiliy Kononenko: "Tripartite Commission Leans Toward Idea of Subordinating Central Bank to Government"]

[Text] The session of the Russian tripartite commission to regulate social and labor agreements (it includes representatives of the government, entrepreneurs, and the trade unions) opened with a change to the agenda.

Commission Coordinator G. Burbulis proposed that the question of the economic and political situation in Russia be discussed after the vital problems of the state

of payments, cash, and the consequences of the increase in energy prices had been examined, in order to make the discussion more specific.

It became clear from Ye. Gaydar's half-hour report that there is no point looking for simple causes of the financial crisis. The first vice premier stressed in particular that the shortage of rubles had developed as a result of the sharp surge in wholesale prices back in January-February, when enterprises rushed to stockpile resources, distrusting the "falling [zhivoy] ruble." At the same time, retail prices were restrained by actual demand. Moreover, the Central Bank of Russia was unable to react quickly to the situation and essentially got caught up in its accounts, which made the problem explosive.

Now, Ye. Gaydar stated, the government has decided to index 80 percent of unpaid salaries, is expediting work to expand noncash payments, and has instructed rail and motor transport to accept noncash payments for tickets because of the vacation season. The amount of cash being produced is increasing. He added that in July-August, with the expedited production of large-denomination notes—including 5,000-ruble notes—there is hope that the situation will stabilize. The government is prepared to produce and circulate gold coins as a "troubleshooting" measure in those areas where the salary payment backlog is particularly bad.

During the discussion the session participants inquired about the government's attitude to the idea of bringing the Central Bank of Russia under its jurisdiction. Ye. Gaydar replied that this measure has been employed in many countries at times of crisis. "Currently I can see no legal possibility of influencing bank note production and ensuring payments." It would be logical to have the Central Bank of Russia operationally subordinate to the government on these matters, while leaving credit policy as before.

But the bank's fate can hardly be said to be sealed. As parliamentary spokesman V. Skripchenko told IZVESTIYA's correspondent, the Supreme Soviet is opposed to such an idea. If it happens, he believes, it will be a disaster. The government is allegedly trying to conceal the real picture of the economy.

On this point Vice Premier A. Shokhin told me in conversation that the most effective way of solving this problem would be to place the bank under the dual jurisdiction of parliament and government and to divide up its powers by cadre appointments.

The tripartite commission session is proving to be protracted. The draft documents proposed for examination by its participants include decisions such as asking the Russian Federation Supreme Soviet Presidium to immediately examine the question of making the Central Bank of Russia subordinate to the Russian Government, defining the state's level of responsibility for delayed salary payments, and setting specific dates by which the backlog must be cleared.

IZVESTIYA Shrugs Off Debt Allegations

PM0906075992 Moscow IZVESTIYA in Russian 3 Jun 92 Morning Edition p 2

[Article by Mikhail Berger: "Speculation about IZVESTIYA's Dependency Refuted by the Facts"]

[Text] The traditional passion for running the press and telling it how to act and what it should and should not do seizes certain representatives of the authorities from time to time.

Our new times have brought new forms of control, which the new observers of the purity of the printed word seek to use. The obsolete question "What can a newspaper afford?" is replaced by a new question "What premises does the editorial office occupy and by what right does it operate there, where does it buy its paper and with what money, and where simply does its money come from?"

A wave of close interest in these details in respect of IZVESTIYA has caught up certain Russian people's deputies since the editorial office brought its court action against the speaker of parliament, Ruslan Khasbulatov. Deputies immediately began wondering: "On what grounds has the former organ and state property of the USSR Supreme Soviet, which—by right—should be the property of the Russian Supreme Soviet, been usurped by commercial structures?" (Deputy G. Sayenko, Supreme Soviet session, 28 May).

It is difficult to understand what the deputy meant by the strange term "state property of the Supreme Soviet." It is clear that he would like to see IZVESTIYA "the state property of the Russian Supreme Soviet." By all accounts, Deputy Sayenko is unable to see that parliament cannot be the owner of any enterprise, with the possible exception of those carrying out functions relating to deputies' welfare (sanatoriums or vacation homes, for example).

Even greater ignorance in matters of ownership and economics is revealed by another Russian deputy, V. Shinkaretskiy, who decided to explain through the pages of ROSSIYSKAYA GAZETA (29 May 1992) who enjoys what property rights and where the money for its existence comes from. The deputy-cum-journalist claims that IZVESTIYA has not by declaring its independence "acquired the right of ownership over all the publications and property basically acquired through state funds."

In his polemical ardor our colleague contended what no one (in IZVESTIYA at least) has claimed or does claim. IZVESTIYA is state property like, say, ZIL or Uralmash. No one has even tried to change its property status, if you discount the aforementioned deputies' suggestions that the newspaper and its property be transferred to the Russian parliament. But IZVESTIYA never belonged to the USSR Supreme Soviet. The Supreme Soviet Presidium was merely the publisher, not the owner of the newspaper, the publishing house, or the buildings and equipment.

If any changes in the property status of IZVESTIYA do occur, we can become a joint-stock company, for example, only in strict accordance with the existing normative acts regulating these processes.

Denying us the right "to enjoy the whole of the editorial-publishing complex and property," Shinkaretskiy proposes that IZVESTIYA should pay a leasing fee for all this to the current—as he is convinced—owner of the property: the Russian Supreme Soviet. By his calculations (it would be interesting to examine the methodology used) it turns out that IZVESTIYA owes at least 1 billion [rubles], about which Ruslan Khasbulatov once referred to as a debt. Let us leave in parentheses this new form of debt—"hypothetical" debt—invented by our colleague: If IZVESTIYA should have paid something, it would first have had to owe that money...

The deputy-cum-journalist finds irreproachable evidence, from his standpoint, that IZVESTIYA's property appeared as a result of the concern shown by the party and the USSR Supreme Soviet Presidium, which issued the necessary order. "You only have to pick up the relevant resolution of the CPSU Central Committee Politburo and USSR Supreme Soviet Presidium, specifically the one on the construction of the IZVESTIYA complex," Shinkaretskiy claims, "to see whose money created it all."

It would of course be absurd to claim that the IZVESTIYA complex could have been built without the corresponding will of the party and government. However, the decision to construct it and its sources of finance are things so different that you feel awkward somehow even pointing this out to the deputy. His idea that IZVESTIYA was built with the people's money and that nothing here therefore belongs to IZVESTIYA itself has no basis whatsoever.

IZVESTIYA was a concern profitable enough to exist and develop through its own income, which is what happened in practice. It is clear from financial accounting documents available to the publishing house that in the last 15 years—from 1977 through 1991—the combine's gross profit was 683 million rubles [R], 434 billion of which was paid into the budget. The rest was spent on the upkeep and development of the whole IZVESTIYA complex, including new construction. A new editorial block and conference hall were constructed and the construction of a new printing combine was started, using depreciation allowances and profits. Under the practice which obtained until recently the state simply authorized IZVESTIYA, which came under a separate heading like a ministry or department on the State Planning Committee lists, to spend part of its profits on its own needs, but it in no way gave us any one else's money—"treasury" money or the people's money....

The sole thing that IZVESTIYA received from the treasury is hard currency to pay for the maintenance of its foreign network and the acquisition of equipment. All currency expenditure came solely out of centralized allocation at the time, and no one, as is well known, held his own currency account. But the currency allocated us at whatever rate existed at the time of its allocation was substantially covered by payments made into the budget out of IZVESTIYA's profit.

How can one, knowing all this, not be worried by the level of ignorance displayed by certain deputies who, notwithstanding, discuss and, what is more important, make decisions determining the bases of the economic life of Russia.

Supreme Soviet

Deputies Meet Russian Ambassadors to CIS

LD0606093392 Moscow Radio Rossii Network in Russian 0900 GMT 6 Jun 92

[Text] A meeting between the leaders of the Supreme Soviet and the Russian Federation ambassadors to the CIS countries has taken place today in the Russian House of Soviets. At the meeting they discussed specific issues concerning the development of cooperation, including intergovernmental links. There was a detailed discussion of the problems of the Russian-speaking populations in Commonwealth countries.

Filatov Addresses Envoys

PM0806150392 Moscow ROSSIYSKAYA GAZETA in Russian 8 Jun 92 First Edition p 1

[Report from ROSSIYSKAYA GAZETA/ITAR-TASS roundup: "Russian Ambassadors in Russian White House"]

[Text] The leadership of the Supreme Soviet had a meeting with the Russian Federation's ambassadors to the CIS countries 6 June in the Russian House of Soviets.

"Relations with our closest neighbors—the Commonwealth countries—are the most important priority in Russian foreign policy," S.A. Filatov, first deputy chairman of the Supreme Soviet, emphasized on opening the meeting. "The strengthening of all-around interstate relations is the chief task of Russian diplomats in nearby foreign parts. Here parliament will give you all necessary support and legislative assistance."

Specific questions of the development of cooperation with the CIS countries, including interparliamentary ties, were discussed at the meeting. There was a detailed discussion of problems of the Russian-speaking population in Commonwealth countries. Questions of organizing the activities of Russian embassies were examined.

Yeltsin, Khasbulatov Agree To Meet Monthly

PM0506154092 Moscow ROSSIYSKAYA GAZETA in Russian 6 Jun 92 First Edition p 1

[Report from ROSSIYSKAYA GAZETA/ITAR-TASS column: "Yeltsin-Khasbulatov: Cooperation, Not Confrontation"]

[Text] It has become known from reliable sources that a three-hour meeting took place the other day between President Boris Yeltsin and Supreme Soviet Chairman Ruslan Khasbulatov. The content of the conversation is not known. However, an accord was reached that similar meetings will take place once a month on specific days, with the participation of the deputy chairmen of the Supreme Soviet and the government vice premiers. The aim of the meetings is to remove the misunderstandings and contradictions that naturally accumulate.

Bill on Council of Ministers Introduced

OW0806192092 Moscow INTERFAX in English 1634 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] The bill on the Council of Ministers—the Government of the Russian Federation introduced by Russian President Boris Yeltsin was sent to committees and boards for review.

The bill states that the chairmen of the Councils of Ministers from Russian Federation republics are part of the government of the Russian Federation. The government is formed by the President who appoints his chairman; the chairman must be confirmed by the Congress of People's Deputies and the Parliament. The members of the government are appointed and removed by the president by representation of the chairman of the government.

In keeping with the principle of division of power, the government will not allow interference in the legislative prerogatives of the Parliament, and the Parliament must not interfere in the operational and economic activities of the government.

Individual members of the government, aside from the chairman, can be heard in the Parliament on matters under their jurisdiction not more than once a year.

The decision on the government's resignation is made by the Congress of People's Deputies or the Parliament by a simple majority vote to express non-confidence in the government. The President can also decide on the government's resignation.

Peacekeeping Forces, Draft Constitution Viewed

LD0806174892 Moscow ITAR-TASS World Service in Russian 1631 GMT 8 Jun 92

[By ITAR-TASS correspondent Aleksey Tabachnikov]

[Text] Moscow, 8 Jun—The Presidium of the Russian Federation's Supreme Soviet, which met today, approved an agreement on groups of military observers and collective peacekeeping forces within the CIS and forwarded it for ratification by parliament.

The agreement was signed in Kiev on 20 March 1992 by the heads of 11 republics. It registers the accord between the CIS member states to provide mutual assistance to settle or avert conflicts on inter-ethnic, religious, or political grounds on the territory of any member of the Commonwealth and on creating a peacekeeping group to that end.

The meeting also put forward for ratification by parliament an agreement on trade relations between the USSR and United States which was signed in 1990. The U.S. side, as is well known, has recognized Russia as the legal successor to the Soviet Union and has extended to Russia the accords enshrined in the agreement. In particular, the agreement confers most-favored nation status upon Russia as regards trade, and opens up the U.S. market to Russian goods.

The presidium examined a draft law "On the government," which was submitted by the Russian president and has been revised to accommodate the decisions made by the Sixth Congress of People's Deputies. Under the draft law, the government is subordinate to the president. With the agreement of parliament, he appoints the head of government, who must be confirmed by the Congress of People's Deputies. The draft law forbids the Council of Ministers to interfere in the legislative prerogatives of parliament, and forbids the Supreme Soviet to interfere in the operational and economic activities of the government. Members of the Council of Ministers do not have the right to hold office in state, commercial, or public organizations, to be people's deputies, or to engage in entrepreneurial activities. Decisions on the resignation of the government are to be taken by the Congress, the Supreme Soviet, or the president.

The meeting decided to forward this draft law to the parliamentary committees and commissions for analysis, and to submit it for consideration at a later date.

Russian Central Bank Chairman Georgiy Matyukhin, whose statement of resignation was rejected by the Supreme Soviet a few days ago, spoke at the presidium's meeting. He submitted for the consideration and approval of parliament a list of committee members of the Central Bank's board of directors. Parliament's committees and commissions were instructed to give their conclusions on the candidacies put forward.

Trade With U.S., Milk Supplies Discussed

LD0806181292 Moscow Mayak Radio Network in Russian 1530 GMT 8 Jun 92

[Text] A routine session of the presidium of the Supreme Soviet of the Russian Federation took place today.

At the president's request, the meeting examined the ratification by the Russian Supreme Soviet of the trade agreement between Russia and the United States. The United States has officially agreed that the Russian Federation should be considered a partner with respect to this agreement and has, for its part, met all the legal requirements needed to bring this agreement into effect. The agreement has been sent to the committees and commissions of the Supreme Soviet.

The committee for international affairs and foreign economic ties has been charged with drawing up a draft appeal from the Supreme Soviet asking the U.S. Congress to ensure that the restrictions U.S. legislation places on trade with communist countries do not affect the Russian Federation.

The meeting decided to submit to a session of the Supreme Soviet for its consideration the issue of the Russian Federation's position on the conflict in Yugoslavia.

The presidium decided to form collegiums of arbitration courts in the Russian Federation's krays, oblasts, and towns.

The session discussed the supply of full-milk products to Moscow's population. There has been a serious shortage of these products in the shops over the last few days, because processing enterprises have cut by 70 percent their procurement of milk from collective farms, state farms, and farmsteads, and because more than 1,000 tonnes of unmarketed milk is going bad every day. Appropriate instructions were issued to the presidium regarding this question by the Russian Government in Moscow.

Other questions were also examined at this session of the presidium of the Russian Federation's Supreme Soviet.

Faction Warns Against Georgia Receiving Ships

OW0606002892 Moscow INTERFAX in English 1747 GMT 5 Jun 92

[Transmitted via KYODO]

[Text] The deputy block of the Russian Parliament "Russian Unity" said "the transfer of military property in Poti and Ochamchir, under Russian jurisdiction, to Georgia is a provocative attempt to divide the Black Sea Fleet". The deputies said in a telegram to the Russian President, the Commander of the military, and the leaders of Georgia and Abkhazia that this step would lead to "a complication of the conflict in Ossetia and Abkhazia, and will turn the Caucasus into a bloody fratricidal war".

The deputies warned that they will do everything to "prevent the attempts to divide the fleet and bring the offenders to trial". The telegram was signed by deputies Astafiyev, Baburin, Isakov, Pavlov, Aksyuchits, and Konstantinov, who criticized Boris Yeltsin's steps in foreign and domestic policy.

Factions Warn Yeltsin on Civil War Possibility

LD0706215792 Moscow ITAR-TASS World Service in Russian 1610 GMT 5 Jun 92

[By ITAR-TASS correspondent Galina Vinitskaya]

[Text] Moscow, 5 June—Coordinators of the Russian parliamentary factions expressed their anxiety about the future of legislative power in Russia in an appeal adopted today.

"The success of democratic reforms depends on how united we are in our actions," the statement says. Noting that strict adherence to the constitution should be the basis for civil accord, its authors quote what the Russian Federation president said in the closing speech at the Sixth Congress of People's Deputies. He said that the desire to get rid of the congress and the Supreme Soviet "will open a direct road to political chaos and lead to an impasse."

The first days after the end of the congress gave grounds to think that a period of painstaking joint work has begun, the appeal says, when "suddenly you voiced the necessity 'to get rid of' the congress." Authors of the appeal are convinced that "if this happens a chain reaction of the disintegration of Russia will follow. The unleashing of civil war will be the end result of such an explosion."

"Russia needs civil peace. Russian is tired of meetings, elections, and referenda. Russia needs internal peace in order to work and properly carry out the economic reform. We are appealing to you: Let us together give Russia peace," the statement says.

An ITAR-TASS correspondent has been told by Council of Parliamentary Factions Chairman Vladimir Novikov that the appeal was signed by 11 faction leaders out of 14. Leaders of the Democratic Russia and Radical Democrats factions refused to sign it. The Left Center faction leader will take a decision after the text of the appeal is discussed at the faction meeting on Tuesday [9 June].

Defense Officials Discuss Draft Law

LD0606061792 Moscow Mayak Radio Network in Russian 1510 GMT 3 Jun 92

[Interview with Sergey Stepashin, chairman of the Supreme Soviet Committee on Defense and Security, and Andrey Kokoshin, first deputy defense minister, by correspondent Lyudmila Semina; From the "Panorama" program—live]

[Excerpts] Today at their separate sessions the chambers of the Russian Supreme Soviet have adopted, in the first reading, a draft bill of the Law on Defense. [passage omitted]

[Semina] To what extent should we already be speaking today about this law advancing military reform?

[Stepashin] Today the problems and tasks facing us do not only concern reform, although this is undoubtedly a

most important policy, but the principal goal is to preserve Russia's Armed Forces. There is the presidential decree on creating the Ministry of Defense—it is being set up right now; only a few people are working there—then there is the decree on transferring the troops located on the territory of the Russian Federation and outside its borders to our jurisdiction.

Therefore, it is of paramount importance to us today to preserve, using the legislation, the draft law now being adopted in the first reading, the armed forces and the officers' corps, especially such sections as the Western and Northern groups of forces which are still combat-ready; and then, proceeding from the general concept of both military policy and military doctrine and proceeding from the Law on Defense which will be adopted by then, we must move on to the actual reform. This would include introducing a contract system of military service, reducing the numbers and so on.

[Semina] The deputies have today spoken about the need for a military doctrine. You have said that this is a long and complex issue. What can be said today of our military doctrine and of what we are going to do next, Andrey Fedorovich?

[Kokoshin] Military doctrine is a whole series of documents defining both the political aspects of the actions of the armed forces and also specific strategic plans. A large amount of work lies ahead of us here, and a number of issues connected with military doctrine should, of course, only be worked out by the supreme state bodies, and only they should define them. The Ministry of Defense is of course playing an active role in this and is submitting its proposals.

At the moment, I believe we already have a general outline of our military policy and military doctrine, we have a more or less developed idea of what sort of armed forces we should have: They should be comparatively small but not cheap, efficient enough but posing no threat to anyone. We have a fairly well-founded system of views. I think it has the support of a broad range of both military and civilian experts—on what kinds of conflicts we might be threatened with and what kind of the armed forces Russia should have in order to cope with those conflicts and threats to Russia's security.

It is clear that we are talking not of those wars on a gigantic scale for which the Soviet Union used to prepare for many decades, but we may be threatened with local conflicts and low-intensity conflicts, and the task of developing the military power adequate for this purpose, not too burdensome for the society but at the same time effective and equipped with reliable, high-quality weapons—this task is now being actively worked on, including concrete details and calculations, applications to concrete systems of weapons and modes of operations.

[Announcer] So, in the words of First Deputy Russian Defense Minister Andrey Kokoshin, the proposal is to create an army which will not be burdensome for society. The conversation on this issue will be continued in a few minutes. [musical interlude]

[Semina] All the same, according to your plan, how much will the armed forces cost the people, cost our present-day impoverished Russia?

[Kokoshin] It is very difficult to answer this question and now the economic situation everywhere is complex, and this affects the armed forces too. I believe that in the process of reducing the armed forces—which is inevitable, is in fact already under way and proceeding quite rapidly—the material rewards to those serving in the army should be increased; there should be no gap which has taken shape now between officers' salaries and salaries of the professionals occupying comparable positions at civilian institutions and enterprises. The army should be appropiately provided with a social infrastructure, for which large investments will be required.

On the whole, we have orientated the structure of the military budget sharply towards the personnel, towards providing for the serviceman's most basic needs. Purchases of military equipment have sharply decreased—they are many times smaller than they used to be, and in some sectors they have been virtually reduced to zero. This is an example if we start discussing the economy of means. We shall have to survive to a considerable extent on the reserves of weapons and military equipment accumulated over recent years.

As for scientific, research, experimental and design work and a research base for armament and military equipment, we will try to lay the foundations here for the armed forces we are constructing. When we have sufficient economic possibilities we will use these foundations. But concrete figures of the military budget are not determined by us, the military department, today. In general, this is how it should always be. They are determined by the government and the Supreme Soviet. We spend just the sum allocated to us, and as it always happens everywhere it turns out to be not enough. But acuteness of the situation is understood in the army and in industry.

If we were to take the defense industry as an example, the majority of managers of our defense enterprises simply raise the following question: Tell us clearly whether or not we are going to have a military order? If we are not going to have it, then we will embark fully on civil products and will have completely different relations with the Defense Ministry.

[Semenova] One more small and specific question: In any case, how many years will it take to create a professional army and will we ever have it in Russia?

[Kokoshin] You know, it is already a professional army, to a considerable extent. After all, if we were to talk about officers's corps, they are professionals. We have a lot of great professionals in the armed forces. Here the question of whether it is going to be remanned on a contractual, voluntary basis or on the basis of universal

liability for military service is more like it. But practice will bring the solution to this. At the moment active working is being carried out with those who are going to be transferred to the reserves. They are trying to recruit the rank and file on a contractual basis. This process is everywhere taking a different shape.

It also depends on the unit and on purely human relations there. But it is progressing with difficulties again because there are no financial means, not just to pay salaries. A professional warrior needs a place to live. He cannot be just kept in the barracks. Different conditions should be created for him and for his family. He is going to have a family. His age is just right for that. So, we are going to tackle this proceeding from resources we have, step by step. But the supreme commandership and the middle officers' section are, of course, in favor of the army becoming professional.

[Stepashin] The following figure was given yesterday: We need 86 billion rubles today for us to go over to the so-called contractual basis. You understand that we do not have such a sum.

[Semenova] We need reductions and professionalism.

[Stepashin] It looks as if we will be evolving some sort of guidelines by something like the year 2000.

[Kokoshkin] Yes, approximately, I think. First and foremost, technical troops and, possibly, elite combat units, so to speak, are becoming professionals. For instance, airborne troops on a contractual basis have emerged. I visited one of the units of the Tula division yesterday. They are carrying out serious work aimed at recruiting a professional batch, at the level of soldiers and sergeants.

Local Committee Official Favors Self-Government

OW0506052592 Moscow Central Television First Program and Orbita Networks in Russian 1900 GMT 31 May 92

[Studio Interview with G.S. Zhukov, chairman of the Russian Supreme Soviet Committee for Work of Soviets and Local Self-Government, by Sergey Goryachev; from the "Utro" program—live]

[Text] [Goryachev] Georgiy Semenovich Zhukov, chairman of the Russian Supreme Soviet Committee for Work of Soviets and Local Self-Government, is in the Utro program studio. Welcome and good morning. You and I have already been talking about the topic of our discussion. Now, I would nevertheless like to begin with the statement made by Boris Yeltsin in a recent interview with KOMSOMOLSKAYA PRAVDA. He said that in their present form the Congress and Supreme Soviet are an impediment.

Well, in actual fact, other people probably think this way too, or almost this way.

[Zhukov] You could say that today, not only the soviets and the Supreme Soviet are an impediment, there are some inhibitions in each one of us, to some extent. This is a fact.

[Goryachev] Well, you represent the biggest soviet, or nearly the biggest soviet, the Supreme Soviet. The only thing above it is the Congress

[Zhukov] I think that the stress is not being placed in quite the right place. Today, instead of seeking ways to solve the problems, we are still seeking enemies of the reforms. Having only yesterday returned from a visit to Kaliningrad Oblast with Ruslan Imranovich Khasbulatov, I can say that I have become even more firmly convinced of this. The soviets and executive organs can be criticized today. As a matter of fact they are already both saying: Let us solve the problems together, insofar as today the rights of territories, the rights of soviets are only declarative, there are no practical mechanisms for their realization. Primarily this concerns the formulation of a budget. These are the main issues. Only questions are being asked, give me this or give me that and so forth. And it is pointless to solve them in this way until the question is solved in principle....

[Goryachev, interrupts] Just a minute. How do you understand the power of the soviets under present conditions? I mean soviet power. Do we have soviet power now in Russia or not?

[Zhukov, interrupts] We are not talking about soviet power, we are talking about power in general, about local self-government and about the soviets as representative organs of power. Now if we are talking about a democratic state, then without three branches of power-....[changes thought] we have one state power but there are executive, legislative, and judicial power, now all three should (?work).

[Goryachev] We also hope that there is a fourth power in the form of the press, but we....

[Zhukov, interrupts] It is very, very important and much depends on it today. But you know I would like to stress one thing. Today, practice has shown that there is still essentially no specific and practical program of reforms. This is the major issue. And you know I can say this taking just one example, the Kaliningrad example, into consideration. When the meeting with the agrarians took place—I am not a specialist in these issues but I would like to say this— the heads of state enterprises asked questions about many unsolved sovkhoz issues. Generally, this is understandable. After all, we say that another sector of the economy should be developed here. But when these same problems are raised by farmers, problems that have not been solved today at the state level, this does not only signify an absence of a program, but the absence of a policy as well.

[Goryachev] Just a minute Georgiy Semenovich, I think we have not answered quite clearly, you have possibly not quite precisely expressed your relationship to what

the President of Russia has said and have already gone on to local self-governemnt. Very well then. If we talk about local self-government, tell us, what does this self-government give the people and do the people need this self-government? After all, everybody is used to relying on the assistance of, say, the center, of Moscow, or of the oblast.

[Zhukov] I think that this most important task must be solved by local self-government, so that there would be an opportunity to rely on oneself, so that there would be a real opportunity to rely on oneself.

[Goryachev] With what instruments will this self-government, these local organs of power, operate? As far as I know, although I could be wrong, they have insufficient funds and the real masters in their regions are not the soviets but the enterprises, the big ones.

[Zhukov] I would like to say that quite recently, at the congress, which is being criticized, a federative agreement was adopted which has already become part of the constitution. Now this is precisely that most important document which essentially is supposed to realize those powers of the regions that according to the principles of division are meant to have them. This principle must be realized

[Goryachev] Well, let us use Kaliningrad Oblast as an example to show what the situation there is like now and what they could get if they suddenly got more self-government.

[Zhukov] If Kaliningrad were to form its budget in such a way that about 70 percent of the minimal budget, as we propose, was formed from its own sources of income, I think that the words "give me" would be heard three times less often.

[Goryachev] But what does this mean? Does this mean an increase in local taxes?

[Zhukov] That is not what we are talking about. On the contrary, some taxes should be decreased, but they should not all be transferred to the top from where, subsequently, we would have to plead for them. This is the main issue that we must solve today.

[Goryachev] How can it be solved? What must be done?

[Zhukov] We need a law. A draft law has been prepared and it has already seen its first reading. It was prepared by our committee and is the law on budget rights of local organs of power and administration. Besides, it extends to all levels, including the organs of state power for krays, oblasts, and autonomous [oblasts] and to local self-government organs.

[Goryachev] It seems to me that we are continuing to think in some extremely global categories....

[Zhukov, interrupting] No, they are not global categories.

[Goryachev, continuing] ...when in fact we should think more in terms of local self-government—that is, to live more with the interests of your small city. This is the most important thing for the residents....

[Zhukov, interrupting] Undoubtedly, you are right.

[Goryachev, continuing] ...of this city. So primarily we should live here and our concern should be about a group of houses, a group of neighbors....

[Zhukov, interrupting] There is one task, to give the enterprises that are operating on the territory of any city or any administrative formation an opportunity to be independent so that they can earn more and correspondingly the budget would receive more funds from taxes.

[Goryachev, continuing] ...and the local budget.

[Zhukov] Absolutely.

[Goryachev] Very good. Local organs of power will now probably be preparing for the moment when they get real power. When could this happen?

[Zhukov] I think that if we do not solve this problem this year then very serious processes will begin. I have already said that a federative agreement has been signed. So far this is a declaration and some premises. If they are not further realized in our laws then a simple process of decentralization will set in.

[Goryachev] Very well, but won't a process of decentralization set in if the territories receive very great powers, or if they feel themselves independent from the center, and won't this in some measure whip up the trend toward the disintegration of Russia?

[Zhukov] This may occur if we lose time. We have seen this happen with the union. So these problems must be solved more rapidly.

[Goryachev] So we will hope that you in the Russian Supreme Soviet will resolve these issues.

[Zhukov] Besides, I think that the Russian Parliament should not disband for holidays without solving such issues as the government's program and many specific questions, particularly the problem of the army, and so on.

[Goryachev] And this issue of local (?budgets) must also be solved.

[Zhukov] That is obvious.

[Goryachev] This is what we talked about here today, naturally. So, Georgiy Semenovich, thank you very much for coming here today to join our Utro program. That was the chairman of the Russian Supreme Soviet Committee for the Work of Soviets and Local Self-Government.

Regional Affairs

Withdrawal of Troops From Checheniya Complete

OW0806143892 Moscow INTERFAX in English 1407 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] The Chechen-Press information agency reports that on Sunday [7 June] the withdrawal of the Russian troops from this republic was completed. The withdrawal began in the morning June 6 following an extraordinary conference in the Staff of the Chechen armed forces, held by President Dudayev.

The participants in the conference discussed the Friday [5 June] statement by Russian Defence Minister Pavel Grachev on the disbandment of the garrison in Chechen and on the possibility of sending airborne troops to Chechen for defending the servicemen's families. Chechen Minister for Information and the Press Movladi Udugov said that Groznyy qualified such a statement as provocative because "the Chechen national guard protected the servicemen's families and the servicemen themselves, who openly abstained from performing their duties".

The Chechen-Press reports that the withdrawal of the Russian troops was well-organized and proceeded without any incidents with the exception of the fact that Colonel Yefimov, an officer of the Groznyy garrison died of a heart attack.

Settlements Now Chechen Controlled

LD0806192892 Moscow Mayak Radio Network in Russian 1800 GMT 8 Jun 92

[Text] A report from Groznyy. The last Russian soldier has left the territory of Checheniya. A spokesman for the personal guard of President Dudayev has just reported this in Georgian Television's news program, saying that all army settlements in the republic are now controlled by guardsmen and recently conscripted soldiers in the army which Checheniya is creating. The spokesman for the presidential guard provided assurances that the guardsmen will not permit armed attacks on the settlements, and if the need arises will shoot to kill.

Deportation of Chechens To Be Investigated

MK0506095592 Moscow NEZAVISIMAYA GAZETA in Russian 5 Jun 92 p 3

[Timur Muzayev report under the "Chechen Republic" rubric: "Parliament Wants President To Consult It. Deportation of Chechens From Russian Oblasts Contravenes Boris Yeltsin's Policy"]

[Text] The Chechen Republic parliament has decided to publish a resolution repealing a number of President Dzhokhar Dudayev's decrees and resolutions.

The parliament deemed the appointment of the transport minister, the trade minister, and the deputy chairman of the Cabinet of Ministers to be in contravention of articles of the Checheniya Constitution. Dudayev had made these appointments without consulting the parliament.

The parliament repealed decrees vetoing its resolutions.

The president was asked to continue forming the Cabinet of Ministers and to submit nominations to parliament for approval.

A major opposition group has begun to take shape in the parliament, opposing breaches of the law by the president and other officials.

Checheniya's foreign minister Shamil Beno has sent a cable to the Russian Supreme Soviet protesting the deportation of Chechens from a number of Russian oblasts.

Among other things, the cable says that Chechens are being deported from Russia's Volgograd and Rostov Oblasts and Stavropol Kray under threat of reprisals. The deportations are being carried out with OMON [special purpose militia detachment] help.

In Shamil Beno's opinion, these provocative actions aim to arouse anti-Russian sentiments in Checheniya and enable certain circles in Russia to take more serious action against the Chechen Republic and break off the emergent negotiating process.

The Checheniya Foreign Ministry resolutely states the inadmissibility of provocations against Chechens in Russia and hopes that the Russian leadership will take steps to secure the observance of human rights and stop the anti-Chechen campaign in the mass media.

An answering cable from Galina Starovoytova, the Russian president's adviser for interethnic relations, says that the deportation of Chechens has nothing to do with the Russian president's policy. "The circumstances behind these disgraceful incidents will be investigated and the appropriate measures will then be taken, up to and including the instigation of criminal proceedings," Starovoytova's message says.

Chechens To Give Ingush Land on 1 Condition

PM0806150192 Moscow ROSSIYSKAYA GAZETA in Russian 6 Jun 92 First Edition p 1

[Report from ROSSIYSKAYA GAZETA and ITAR-TASS roundup: "Chechen Deputy Prepared To Concede to His Ingush Brothers, But on One Condition"]

[Text] "I can understand my Ingush brothers' pain and I am prepared even to concede to them on the land question," Checheniya parliamentary deputy Vakha Arsanov said Thursday [4 June] evening, commenting on local television on the announcement of the Russian Supreme Soviet's adoption of the Law on the Formation

of the Ingush Republic. "But," the deputy continued, "if the Ingush autonomous entity is established as part of Russia, Checheniya will not give the latter an inch of its land." Deputies Vakha Arsanov and Akhyad Indigov congratulated the fraternal Ingush people on the exercise of the right to national self-determination.

Yeltsin Continues Regional Tour of Urals

LD0806130992 Moscow ITAR-TASS World Service in Russian 1050 GMT 8 Jun 92

[By ITAR-TASS special correspondent Nadezhda Potapova]

[Text] Nizhniy Tagil, Urals, 8 Jun—The second day of Russian President Boris Yeltsin's stay in Sverdlovsk Oblast began with a visit to the Uralvagonzavod [Urals Wagon Works] production association. He arrived this morning in Nizhniy Tagil, the oblast's metallurgy and engineering center.

Uralvagonzavod is well-known in the country for the manufacture of military and national economic products. Production runs of tanks today amount to only 1 percent of the previous volume. Production of railway freight cars has not increased, but their price has increased by almost 20 times. The Ministry of Railways, the association's main customer, has drastically cut its purchases, although everyone understands that Russia's railways will not accomplish their task without new rolling stock. [Moscow Programma Radio Odin Network in Russian at 1100 GMT on 8 June, in a similar report, adds: "This was one of the main issues during the president's meeting with the management and collective of Uralvagonzavod."]

In the workshop where small general purpose loader trucks are now being produced in place of military equipment and where the first hydraulic digger with a 1-cubic-meter scoop has been assembled, Boris Yeltsin could see for himself that conversion is going ahead at full speed. The production of domestic electrical equipment and of fuel units for cars has increased threefold in a year, and production of brewery plants of various capacities has been adopted, but the workforce is still being cut.

"You do have one primary product—T-72 tanks," Boris Yeltsin said at an impromptu meeting at the factory gates. "Sell them abroad, and we will leave you 80 percent of the hard currency."

The president made the same statement about currency at the construction site for a converter shop at the Nizhniy Tagil metallurgical combine. One of the oldest enterprises in Russia, it intends to spend hard currency over seven years on modernization to make all of the combine's output competitive on the world market.

A meeting between Boris Yeltsin and the leaders of the town began at midday. It is proceeding behind closed doors.

'No Retreat' From Reforms Cited

LD0806144392 Moscow ITAR-TASS World Service in Russian 1245 GMT 8 Jun 92

[By ITAR-TASS special correspondent Nadezhda Potapova]

[Text] Nizhniy Tagil, 8 Jun—There will be no retreat from the reform strategy; there only will be certain tactical amendments, Boris Yeltsin said today at a meeting with civic leaders and enterprise managers in Nizhniy Tagil in the Urals. One such amendment, according to the president, will be control over fuel and power prices. He stressed that after the initial leap, fuel and energy prices will not go up again before the end of the year.

It was confirmed at the meeting that Sverdlovsk Oblast—one of the most militarized in Russia—will have opportunities to export the products of its arms factories. In addition, defense workers here in the Urals will be able to keep up to 80 percent of the hard currency for investment in diversification.

"There are people signing petitions for me to quit," Boris Yeltsin said at an impromptu news conference at Nizhniy Tagil's town square, "but I am not going to go that easily. I will not give in. What I have started, I will see through to the end." The president then departed from the town square for Yekaterinburg airport.

Conversion Issues Discussed

OW0806181692 Moscow INTERFAX in English 1634 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] During his visit to the Sverdlovsk region, Russian President Boris Yeltsin visited the city of Nizhniy Tagil Monday [8 June]. He visited a number of large industrial complexes, including "Uralvagonzavod" and the Lenin Nizhnetagilsk Metallurgy Center. The President then met with the city's government.

"IF" [INTERFAX] learned from members of the Nizhniy Tagil administration that ecological problems, conversion of military factories, and providing a supply of cash to the area was discussed during the meeting. The Russian President promised to issue a resolution declaring Nizhniy Tagil an ecological disaster area.

In addition, Yeltsin expressed satisfaction with the conversion efforts of the Nizhnetagilsk Metallurgy Center in shifting a number of shops to produce electronic equipment, furniture, etc. The President promised to use Nizhniy Tagil as "an example for all of Russia".

Concerning the cash problem, the President said that 2 billion rubles will be sent to the Sverdlovsk region for the payment of salaries. The region will allocate the city cash from these funds.

During the meeting the head of the Nizhniy Tagil administration Nikolay Didenko delivered a request from the city's residents to reduce the number of corrective labor colonies which, they feel affects the city's crime rate. At the end of the meeting Boris Yeltsin said in a conversation with city residents who waited for him outside the administration building, that he would solve the problem.

Visit Ends

LD0806213392 Moscow Russian Television Network in Russian 1900 GMT 8 Jun 92

[Report by presidential press group, on Russian President Boris Yeltsin's visit to Sverdlovosk, including recorded remarks by Yeltsin during meeting with people at Urals truck works; from the "Vesti" newscast]

[Text] The Russian president's visit to Sverdlovsk oblast has ended. This morning Boris Yeltsin visited Urals truck works, listed in the Guinness Book of Records as the biggest in territory—1,200 hectares, and for quantity of output. More than 40,000 people work in its 100 workshops. At a meeting with the president there was discussion of the most sore points—low pay, high food prices, and the lack of cash. [video shows Yeltsin walking round factory, with excavators, surrounded by crowd, people ask about price hikes]

[Yeltsin] They will go up further, and pay will go up. By the end of the year there will be a reduction. I cannot deceive you. [People ask about delay in receiving their pay]

[Yeltsin] Cash, cash, I have instructed that 20 million [currency not specified] is to be sent from Moscow tomorrow. [video shows Yeltsin mounting excavator]

[Unidentified correspondent] The big conversion program envisages the output of the latest excavators. On the basis of tanks, production of small loaders has started, along with a varied range of consumer goods. The works' main problem is finding customers with buying power.

The next meeting was with workers of the Nizhniy Tagil metallurgical combine who are concerned about the ecological situation, and benefits and pension provisions. [video shows Yeltsin meeting workers] After meeting the administration of the town of Nizhniy Tagil the president said the oblast has been declared an ecological disaster zone. [video shows Yeltsin meeting administrators] A foreign currency quota of $200 million has been allocated for the needs of the oblast. The problem of cash has also been solved. In the next few days the oblast will receive 20 million rubles.

Popov Move Brings Muscovites 'Mixed Feelings'

PM0906090092 Moscow IZVESTIYA in Russian 8 Jun 92 Morning Edition p 1

[Article by Albert Plutnik: "Popov's Resignation Accepted. Duties of Moscow Mayor Pass to Luzhkov"]

[Text] On 6 June Russian President Boris Yeltsin accepted Gavriil Popov's resignation and conferred the duties of mayor of Moscow on Yuriy Luzhkov, appointing him head of the capital's administration. Interviewed on the Moscow television channel, the new mayor defined the tasks facing the city administration: "The most important concern is the city's economic development. But economic development cannot take place without a clear political orientation. This has been proclaimed by the Moscow Government and City Hall. It is an orientation toward democratic transformations in the capital and promoting democratic transformations in the country, the switch to a market economy, and the creation of the conditions for a new life in Moscow and the state."

Deciding to "cease work as mayor of Moscow City," Gavriil Popov explained his decision in terms of the exceptional importance of the current moment for Russia and the need for "all democratic forces and their leaders to concentrate on resolving Russia-wide problems." He personally intends to devote himself to work primarily as chairman of the Russian Movement for Democratic Reforms, a post to which he was elected at the Russian Movement for Democratic Reforms congress in January 1992.

G. Popov became mayor only a year ago. So he still had four years left to try to make Moscow a model democratic, rather than communist, city. Everyone knows the efforts made, with varying degress of success or failure, by the mayor in this respect, efforts that prompted mixed reactions, as the saying goes, among Muscovites and not infrequently divided the capital's body of deputies.

Nonetheless Moscow, like St. Petersburg, served in many ways as a full-scale testing ground where models of democratic administrative and economic reforms were tried out. "The relatively stable situation for two years in Moscow," G. Popov believes, "was largely due to the fact that with the president's support the executive authorities were strengthened, and used the additional powers granted to them to accelerate privatization and implement social protection measures for Muscovites."

Not everyone, of course, will agree totally with this claim, but here are some statistics (G. Popov also cites them in his statement): Nearly half of all the enterprises and apartments that have been privatized by Russia are in Moscow. All the same, as he rightly notes, you cannot build in one city alone—even a city like Moscow—not only a shop window for socialism, but even a market economy with a social orientation.

So it transpires that without waiting for decisive changes for the better within the framework of one city and without even asking permission from the Muscovites who elected him, Gavriil Popov has decided to leave the Moscow economy to his loyal colleagues, in order to concentrate his own efforts exclusively in the political field.

Of course, we are not dealing with a commonplace occurrence, with the routine transfer of a prominent

leader to a different post, or with a simple fall or rise in status, and still less with the whim of an experienced political warrior. Popov, when all is said and done, is far from a commonplace figure in the Russian democratic movement, and no "drastic step" of his is likely to be of a purely personal nature. In this case it is most likely an indication of certain processes taking place in the heart of the entire movement.

At any event, democratically minded Muscovites have mixed feelings about the resignation. On the one hand, all reasonable people realize that there is such a thing as the strategy for the development of the Russian democratic process. Democrats have to think not only about the present, but about the future of democracy itself. And that means taking a long-term view in regrouping forces, reinforcing the most important sectors of all with the "best trained" cadres even at the expense of weakening other important sectors.

The Movement for Democratic Reforms really needs someone at its head who is no mere symbol, but a serious politician, really active in that capacity. Because at the moment the opposition is ahead of the democrats when it comes to consolidating their forces.

But on the other hand, Moscow is too important a bridgehead of democracy to allow it to be weakened, whatever the circumstances. But is it possible that there really is no alternative? Maybe Popov's departure reminds us all yet again of the days when people used to say: There is no alternative to Gorbachev; and when, not much later, they started to reiterate: There is no alternative to Yeltsin. It reminds us how few significant political leaders, even now, are emerging onto our political arena and in the democratic camp. So that means that the fondness inherited by the democrats from the communist leaders, for combining top posts and simply high posts is once again manifesting itself. The same people in every post. And when they have to abandon even one of them, problems immediately arise....

Popov's Support for Russia Referendum Noted

OW0906102292 Moscow INTERFAX in English 0943 GMT 9 Jun 92

[Transmitted via KYODO]

[Text] Addressing the Russian MPs [members of parliament] representing Moscow on Monday [8 June] evening, Gavriil Popov announced that among the main causes of his resignation was the current political situation in Russia. He said that the implementation of the economic reforms in Moscow became impossible because the reforms have reached their objective limit which could only be passed if radical decisions were taken on the state level.

Moscow's ex-mayor believes that radical decisions can be taken if the current government system is changed. In view of this, an all-Russia referendum is becoming vitally important, he added.

Assessing the situation objectively, Popov noted, however, that the referendum may not take place because the current legislation offers pretexts for putting it off till the winter or spring. By this time, the results of the referendum will hardly be of any importance.

The situation may develop without conflicts, said Popov. What he meant is that the constituent assembly should not necessarily be elected by all Russian citizens. It may be shaped according to quotas, he said. For instance, one third of it might be elected by the parliament, depending on the number of factions and multi-ethnic autonomous entities. Another one third might be elected by the Russian president, say from among people's deputies of various levels, and the rest—by political parties depending on their rating revealed in an opinion poll.

Speaking about his successor as Moscow's Mayor, Yuriy Luzhkov, Popov said that his appointment was legitimate. He described him as an outstanding administrator and urged the Russian MPs to give him political support. He noted, however, that in the current setting Luzhkov's powers will hardly suffice and that the president should be asked again to broaden them.

Popov said that he intends to concentrate on the leadership of the Russian Movement for Democratic Reform.

Shaymiyev Reviews Results of Overseas Trip

OW0606172692 Moscow INTERFAX in English 1546 GMT 6 Jun 92

[Transmitted via KYODO]

[Text] Speaking at a press conference in Kazan, the Tatar President Mintimer Shaymiyev, commenting on his working visit to Switzerland, Austria, USA and Canada, asserted that his republic "may count on direct foreign credits and investments". During the visit, he has reached agreements with a number of leading Swiss banks which will provide funds for the republic's major projects. Mr. Shamiyev has singled out the republic's three major priorities:

1. development of international telecommunication system (the international satellite communications capabilities will be installed in June-July this year);

2. refurbishment of Kazan's airport and its transformation into an international air terminal (to be accomplished by Canadian private companies);

3. personnel training (at the expense of a specially incepted Tatar President's international foundation). In the words of President Shaymiyev, Tatarstan's foreign economic policy, will soon be re-oriented from barter transactions to long-term investments.

Apart from its economic import the President's visit had a pronounced political meaning. The President has been briefed on the principles of federal administration practiced by the West (Kazan refused to join the Federative Treaty of Russian Federation earlier this year). Mr.

Shaymiyev avers that Tatarstan will rely on Swiss, Austrian, Canadian and US experience in substantiating its stance at the talks with Moscow.

According to the President, the republic's leadership wishes to build Tatarstan's relations with Russian Federation on the basis of an agreement providing for the parties' mutual delegation of authorities, without infringing on the integrity of Russian Federation.

Tatarstan, Mr. Shaymiyev went on, will strongly oppose any manifestations of confrontation and separatism and intends to build its international relations on the basis of democratic principles and civility, the latter being indispensable for the republic's recognition at the international arena. The President indicated that this position was acknowledged by state and social leaders both in Europe and America. In particular, Henry Kissinger and Alexander Haig assured President Shaymiyev that they would back Tatarstan in joining the world community.

Discusses Western Investments

LD0506212192 Moscow POSTFACTUM in English 1908 GMT 5 Jun 92

[From the "Domestic Market" section]

[Excerpt] Kazan—President Shaymiyev: Major European, U.S. and Canadian Banks are going to make long-term investments in Tatarstan.

Tatarstan President Mintimer Shaymiyev, speaking on June 5 to a press conference, also said that agreements to this effect had been one of the main results of his working visit to the USA, Canada, Austria and Switzerland on May 24-31.

According to the president, major Swiss Banks have expressed their readiness to make investments in republican programs worked out to establish a modern telecommunications network, turn the Kazan airport into an international one, and train personnel. During his trip, the president also talked over possible investments in the reconstruction of Tatarstan sugar mills and procurement of new agricultural technologies. Shaymiyev told of an agreement to conclude a long-term contract to buy grain in Canada. According to the president, oil and certain industrial commodities remain a guarantee for the investments.

Shaymiyev further said that, in case of a cash shortage in July, Tatarstan residents will be paid part of their wages in coupons which may be used to buy food. He also said that the arrears in April wages amount to R1,200 mln [million] in Tatarstan. Part of the arrears will be paid in a few days: Banknotes to R700 mln have already been dispatched to Tatarstan, Shaymiyev said. [passage omitted]

Tartarstan Discusses Debt Repayment Policy

OW0606172992 Moscow INTERFAX in English 1546 GMT 6 Jun 92

[Transmitted via KYODO]

[Text] "Tatarstan will assume responsibility for its share of the foreign debt of the Soviet Union but will conduct a different policy than Russia", the Vice Prime Minister of Tatarstan Ravil Muratov said in Kazan. He said the Tatar government will pay the debt itself, releasing firms from the hard currency payments. The Vice Prime Minister said Tatarstan will pay 500 million dollars annually, which constitutes 50% of the profits of the republic's firms.

Muratov said that in 1993 Tatarstan will insist that 15 to 20% of hard currency profits be deducted; this will be the subject of talks with the Russian government.

Tatarstan Considers Islamic Bank Entry

LD0706210292 Moscow POSTFACTUM in English 1627 GMT 7 Jun 92

[From the "Politics" section]

[Text] Kazan—The Republic of Tatarstan may soon join the Islamic Bank for Reconstruction, said the republic's prime minister, Mukhammat Sabirov, at the meeting with heads of manufacturing businesses held on June 5.

According to Sabirov, Tatarstan's oil exports revenues turned out to be lower than first expected. In the first five months of the year Tatarstan managed to sell only 1.2 million tonnes of oil while the licence received from the Gaydar government was for 5 million tonnes. At the same time, the Islamic Bank for Reconstruction has promised a 100-150 million [currency not specified] interest-free credit to Tatarstan on the condition that the republic join the bank. According to Sabirov, his first impression was that Tatarstan was drawn into Islamic affairs through finances. But the recent visit of a large group of bankers to Tatarstan persuaded him that the bank was only interested in new markets. According to Sabirov, Filza Khamidulin, chairman of the economy committee, and Dmitriy Nagumanov, Tatarstan's finance minister, will soon visit the Islamic Bank for Reconstruction to prepare all entry documents.

During the meeting Sabirov also pressed for the immediate transfer of Tatarstan's defence businesses under the jurisdiction of the republic. He explained this by saying that the republican defence businesses were still paying taxes, including the value added tax, to Russia. Somehow, heads of some businesses spoke against it. They said this would be unwise at the moment as many businesses still receive both manufacturing orders and financial help from Moscow. Prospects of losing future orders were grim, they said. As for taxes being paid to Moscow, many believed this was an illusion as those businesses that pay them have long since ceased to be profitable.

Far East Construction of Power Stations Eyed

PM0806135792 Moscow IZVESTIYA in Russian 5 Jun 92 Morning Edition p 2

[Report by Boris Reznik: "Construction of Bureya GES's [hydroelectric power stations] Halted"]

[Text] Khabarovsk—More than 1,000 construction workers at the Bureyskaya and Nizhnebureyskaya GES's [hydroelectric power stations] have been sent on compulsory unpaid leave. This has been caused by the ending of financing for the construction projects.

The Bureya GES' have been under construction for more than 15 years, but no end to the work is in sight. There is a chronic shortage of funds and material resources.

L. Kaulin, chief of the "Zeyagesstroy" Construction Administration—the subunit building the Bureya GES'—has been unsuccessfully doing the rounds of Moscow's corridors of power for days on end. The government cannot "make provision for the centralized allocation of material resources and financing in line with the document" which he has been taking from office to office. The government has no money, no resources.

What is to be done? What should we do with these projects and their thousands-strong collectives?

The project requires unique hydraulic, mechanical, and electronic equipment which was previously produced by enterprises in the former Union republics. Now all contacts have been disrupted.

We can understand the parlous state of the Russian economy and the difficulties of a government torn between highly important economic sectors requiring "priority financing." But how can we understand and explain that, having essentially left the construction of the Bureya GES' in the Far East to the whim of fate, the construction of a...nuclear power station is going ahead? This project, near Lake Evoron, is proceeding at full speed.

The idea to build the AES [nuclear electric power station] cannot be called serious. It emerged during Gorbachev's tour of the Far East in the summer of 1986, when it was decided to hastily draw up a grandiose program for the economic and social transformation of the region to the year 2000. The program presupposed no less than threefold growth in industrial production—which would naturally require a manyfold increase in power generating capacity.

Without managing to "win over the masses," the Far Eastern program died, but the idea of building the AES survived. It is being actively propagandized by representatives of the Ministry of Nuclear Power Generation, which has considerable "spare" construction capacity. But they dodge the following question—if industrial potential in the Far East fails to triple, and provided that we hang on to the industry we already have, why press on with construction of an AES costing several tens of billions of rubles? Particularly if the capacity of the Bureya GES' is ample to defuse the crisis and provide the region with stable and cheap supplies of electricity for decades to come.

Forecast for North Ossetia Situation 'Complex'

PM0906095592 Moscow IZVESTIYA in Russian 6 Jun 92 Morning Edition p 2

[Report by Ali Kazikhanov: "North Ossetian Situation Not Amenable to Forecasting"]

[Text] Vladikavkaz—The rains that have not stopped for five days and nights are hampering communications with South Ossetia and are denying civil aviation helicopter pilots the chance to evacuate the wounded and seriously ill from Tskhinvali. The blockade of Georgia is also continuing: The Georgian Military Highway and main oil and gas pipelines have been closed.

I was told by Yu. Biragov, chairman of the North Ossetian SSR [Soviet Socialist Republic] Supreme Soviet, that the blockade is an enforced measure. The republic leadership has not lost contact with Georgia; Vice Premier Sandro Kavsadze and other representatives of the Georgian State Council telephone every day, discuss the situation that has developed, and give assurances that everything is being done to fulfill the Vladikavkaz accord on the cease-fire in South Ossetia.

"Actually, a relative calm has descended on Tskhinvali in the last 48 hours," Yuriy Biragov says, "although exchanges of fire are continuing. Moreover, in the 13 days following the slaughter near the village of Kekhli, another 32 people have died in South Ossetia. In this situation it is unrealistic to count on the fact that somebody will agree to lift the blockade..."

While not denying the registration for volunteer detachments which are ready to go to the aid of their South Ossetian brothers, North Ossetian leaders assured me that the matter has so far been limited to just one registration, and that in the years of conflict the republic has not sent weapons, combat equipment, or soldiers to South Ossetia. People in Vladikavkaz are not losing hope for a peaceful settlement to the heated conflict.

Despite the ticklishness of the situation, not a single case of unfriendly behavior toward the Georgians living here has been recorded in North Ossetia, even on the everyday life level....

The republic continues to hope for Russia's aid and support. The state of shock after the tragedy near the village of Kekhli compelled some parliamentarians and leaders of the North Ossetian SSR to declare the possible secession from the Russian Federation and unification of South and North Ossetia.

The North Ossetian Supreme Soviet information center has officially reported that North Ossetia has not made any official "statements, still less has it undertaken any actions which are aimed at severing relations with Russia and which are contrary to the Federation Treaty."

Forecasting the situation in North Ossetia is complex. The indecisiveness and, according to journalists' comments, the wait-and-see stance of its leadership are causing increasing dissatisfaction among numerous parties and public movements. Uniting in a Consultative Council, they even planned to hold a republic-wide rally Saturday 6 June whose main aim would be to declare no confidence in the North Ossetian SSR Supreme Soviet and Government. The blockade took the heat out of the situation. After talks between Consultative Council representatives and the Supreme Soviet, it was decided to postpone the rally for an indefinite period.

International Affairs

President Kravchuk on Relations With Russia

LD0806182292 Moscow ITAR-TASS World Service in Russian 1651 GMT 8 Jun 92

[By UKRINFORM correspondent Viktor Demidenko for TASS]

[Text] Kiev, 8 Jun—Relations between Ukraine and Russia should remain traditionally good-neighborly and based on equal rights, Ukrainian President Leonid Kravchuk stated today at the opening of the Institute of State Administration and Self-Administration under the government of the Republic. History has developed in such a way that the destinies of the two great peoples—Ukrainian and Russian—are united by many common factors both in the past and the present, he noted.

An objective factor which must be taken into account is the mutual interest in peaceful, mutually profitable relations. The stumbling block on this road is Russia's clear dragging out of the question of succession by former USSR states with regard to Union property and the laying of territorial claims.

The Ukrainian president expressed the hope that it will be possible to eliminate the mistrust which exists between the two sovereign states during his upcoming meeting with Russian President Boris Yeltsin.

Ambassador Comments on Situation in Russia

LD0906094392 Kiev Radio Ukraine World Service in Ukrainian 2200 GMT 7 Jun 92

[Text] Volodymyr Kryzhanivskyy, extraordinary and plenipotentiary ambassador of Ukraine to Russia, in his interview to the press described the situation in Russia as being worse when in comparison with Ukraine. I observe Russia with horror, said Volodymyr Kryzhanivskyy in an interview, because they want to support themselves at the expense of extorting energy and costs from Ukraine, Byelarus, and other states. It is the wrong policy, he stressed. By the way, the handing over of credentials by Volodymyr Kryzhanivskyy, extraordinary and plenipotentiary ambassador of Ukraine to Russia, to Russian President Boris Yeltsin has to take place after 15 June.

Czechoslovak, Ukrainian Military Groups Meet

LD0506180992 Kiev Radio Ukraine World Service in English 0000 GMT 5 Jun 92

[Text] A military delegation of the Czech and Slovak Federative Republic continued its visit to Ukraine. Today its representatives met in Vinnitsa with their Ukrainian counterparts. Under discussion was a wide range of issues of mutual interest for the military specialists of both states, in part logistic supplies. There was an exchange of experience in the creation of modern samples of military uniforms. I would like to remind you that the visit is being held within the framework of the agreement on bilateral cooperation between the Defense Ministries of Ukraine and Czechoslovakia for the period of 1992-1993.

Joint Spanish-Ukrainian Venture Set Up

LD0506173792 Kiev Radio Ukraine World Service in English 0000 GMT 5 Jun 92

[Text] The capital fund of a joint Ukrainian-Spanish venture called Pravda makes up 3 billion rubles. The venture was set up on the basis of one of the largest coal mines in Donetsk region. It plans to implement a vast program of housing construction for its workers.

Journalists' Union Joins International Group

LD0906095692 Moscow ITAR-TASS World Service in Russian 1528 GMT 8 Jun 92

[By UKRINFORM-TASS correspondent]

[Text] Kiev, 8 Jun—The Union of Journalists of Ukraine, at a regular congress of the International Federation of Journalists taking place in Montreal, has been accepted into that authoritative international organization, it was reported from the Ukrainian Union of Journalists.

National Affairs

Kravchuk Meets Sevastopol Administration Leaders

LD0706122792 Kiev Radio Ukraine World Service in English 0000 GMT 7 Jun 92

[Text] Yesterday, Leonid Kravchuk met with representatives of the Ukrainian president in the district of Sevastopol. They informed the President of Ukraine, Leonid Kravchuk, on the state of affairs in the city of Sevastopol. Examined were also issues pertaining to the organization of the activity of the local state administration, first of all in the solution of the problem of socioeconomic development of Sevastopol.

Unions Support Kravchuk in Building Democracy

LD0706110292 Kiev Radio Ukraine World Service in English 0000 GMT 7 Jun 92

[Text] Issues of mutual relations between the trade unions and bodies of power of Ukraine were discussed at the roundtable of the president of Ukraine and representatives of trade union amalgamations which was held in Kiev yesterday. A joint communique was worked out in which representatives of 10 trade union amalgamations which have a common national status declared that they support the efforts of the president in the construction of an independent and democratic Ukraine. At the same time, they voiced serious concern over the development of economy, production slump and consequently impoverishment of the population, incapability of the government to settle the urgent problems of social protection of

the population. The participants of the roundtable arrived at a conclusion that it is expedient to regularly hold its sittings with the aim of examining jointly with the president, the Supreme Soviet and the Cabinet of Ministers most acute issues of life in Ukraine.

Rukh Launches Campaign To Unseat Government

LD0806070992 Moscow Programma Radio Odin Network in Russian 1500 GMT 6 Jun 92

[Text] The Rukh leadership has stated that it will continue a campaign aimed at the resignation of the Ukrainian Government and Prime Minister Fokin. Rukh accuses the government of being incompetent and sluggish in carrying out reforms. However, the loud campaign of rallies, pickets and leaflets unleashed by the Rukh does not have the backing up of the Ukrainian Supreme Soviet. It has abstained from discussing the issue of confidence in the government.

Now the Rukh leadership has stated that it will intensify its campaign aimed at the resignation of the government with the help of its faction within the Supreme Soviet and broad parliamentary measures.

Commission Approves Draft Constitution

LD0706111792 Kiev Radio Ukraine World Service in English 0000 GMT 7 Jun 92

[Text] At its sitting on 5 June, the Commission of the Supreme Soviet of Ukraine for the Preparation of a New Constitution of Ukraine took a decision to approve as a whole the draft new Constitution of Ukraine and submit it for the consideration of the Supreme Soviet. It was stressed that the draft fundamental law corresponds as a whole to the provisions of the conception of a new Constitution. At the same time, the commission pointed to certain differences which are brought about by a whole range of objective circumstances which emerged during a period the approval of the conception. In part, the former USSR has disintegrated, Ukraine has become an independent state, it has elected its president, a new state executive power has been formed in the center, and [words indistinct]. Taking this into account, the structure of the draft Constitution has somewhat changed. Two new sections have been envisaged—state symbols, and a local and regional self-government. After the discussion of the adopted decision to consider that certain differences between the draft new Constitution and the conception are justified since they are stipulated by new historical and political conditions which emerged at the present stage of state construction in Ukraine, and will be examined by the Supreme Soviet of Ukraine together with a draft new fundamental law. [sentence as heard]

Officical Cited on Ways To Improve Economy

AU0806100792 Kiev URYADOVYY KURYER in Ukrainian No. 22 (68), 29 May 92 p 3

[Commentary by Leonid Samsonenko: "Subjective Objectivity"]

[Text] So far, the parliament has not spend so much time on resolving any other question as it did on approving Ukraine's budget for 1992. At a recent meeting, the government and the parliament again failed to reach a consensus—again, the draft budget was returned for further elaboration. It must be submitted for approval on 15 June.

According to Andrey Pecherov, chairman of the Supreme Council Permanent Commission for Questions of Planning, Budget, Finance, and Prices, the difficulties involved in preparing a budget for the current year are due to a string of objective and subjective reasons. He lists, among objective reasons, the critical situation in the state's economy that does not make it possible, at present, to satisfy the most essential needs of our society. In his opinion, a subjective factor in the imbalance is the striving on the part of individual deputies to procure as much means as possible for their oblasts, industries, regions, and so on, taking advantage of the opportunity.

The lack of consolidation at the level of nationwide interests has led to a situation in which the main expenditure items are for "hand to mouth" needs. In the conditions when all budget resources of Ukraine amount to 1 trillion and 189 billion rubles, their lion's share goes to social protection of the population (270 billion rubles) and to the sociocultural sphere (395 billion rubles). As much as... 17.2 percent of budgetary expenditure, that is to say about 203 billion rubles, is directed to the national economy.

However, even with such a distribution of budgetary resources, nobody is satisfied. Of course, pensioners, invalids, and low-income families are not getting enough. However, esteemed deputies must finally realize that, unless production is financed and the capital (quite large) is invested in restructuring the economy, we can hardly expect any positive changes tomorrow. While today, there is still something to divide, there will be no such a possibility in the near future. Of course, the budget deficit may be increased if a few more hundred billion rubles cash is put into circulation. However, a state that lives on credit is doomed.

In the opinion of specialists, the situation may be corrected if the level of protection of the population's life becomes less and less associated with the budget. The sooner all of us agree to implement this idea, the more effective the economic reforms will be and, therefore, the standard of living will improve. I am talking about increasing the retirement age, eliminating minimum wages for "nonbudgetary" workers, giving up subsidies, and so on. This is a painful but urgent need. The share of profit in the structure of the product that we create, after its ultimate distribution, is such that nothing remains for redistribution. Well, gentlemen, are we going to continue ruining ourselves?

Ministries Draft Plan for Leaving Ruble Area

PM0406124192 Moscow IZVESTIYA in Russian 3 Jun 92 Morning Edition p 2

[Sergey Tsikora report: "Ruble Will Take Its Leave of Ukraine"]

[Text] Kiev—Ukraine has started implementing its plan to leave the ruble zone. The fundamental provisions of the plan will be agreed with Russia.

The last Ukrainian Government session tasked the Ministry of the Economy and the Ministry of Finance with preparing, together with the National Bank, a specific plan for leaving the ruble area and submitting it as a matter of urgency to the republic Cabinet of Ministers. The proposals are to take account of the recommendations of the IMF and the World Bank.

Agreement has been reached that the basic provisions of the plan will be examined at a joint session of the Ukrainian and Russian Cabinets of Ministers. Moreover, a group of experts has been charged with preparing a document on prices acceptable to both sides for the supply of commodities and raw materials, without which the economies of the Ukraine and Russia cannot function normally.

Apart from the purely economic reasons, this resolute step by the Ukrainian Cabinet of Ministers also has a political basis. At today's opening session of the Supreme Soviet the republic government has, in the direct meaning of the term, been besieged on all sides. A considerable number of signatures by deputies insisting on the resignation of the cabinet has been gathered in parliament. Rukh and many political parties and youth organizations have made this same demand. The holding of rallies and demonstrations outside the republic Supreme Soviet has been announced.

Cabinet of Ministers Debates Chernobyl Plant

AU0806121392 Kiev URYADOVYY KURYER in Ukrainian No. 22 (68), 29 May 92 p 3

[Unattributed report: "In Ukraine's Cabinet of Ministers"]

[Text] **At its 25 May meeting, the Ukrainian Government considered two questions that have long been under discussion at all levels, but whose ultimate resolution is still undecided. Further operation of the Chernobyl Atomic Electric Power Plant [AEPP] and the Draft State Program for Privatization of Property of State Enterprises were on the agenda.**

The closing down of the Chernobyl AEPP is not such a simple matter as it might seem at first glance. Even if the plant does not produce electricity, it needs great amounts of energy to satisfy technological needs. In the conditions of the present energy shortages, the feeding of the Chernobyk AEPP with steam and electricity is a very difficult task. It is therefore necessary to create local sources of energy. Organs and organizations authorized to fulfill this task are now working on this. As was pointed out at the Cabinet of Ministers meeting, there is an agreement in accordance with which with Romania will supply two powerful plants.

Proceeding from the situation that has taken shape, the government has commissioned the "Ukratomenergoprom" and the production association "Chernobyl AEPP" to ensure the closing down, in 1992, of the first and third power units after the entire complex of preparatory work is completed and also to expedite the elaboration of specifications for building a new boiler house and reconstructing the operating one.

The Ministry of Power Engineering, the Ministry of State Resources, and the "Ukratomenergoprom" concern have been commissioned to resolve the question of creating a specialized Building and Installation Administration for fulfilling work associated with the closing down of the plant. They must also speed up the acquisition of the necessary instruments and materials for the two electric power trains [enerhopoyizdy] that function in the 30-kilometer zone. The AEPP must also be provided with new electric power trains.

The Ministry of Finance must resolve questions of financing work to exploit halted power units and also take measures for guaranteeing social protection of workers at the "Chernobyl AEPP" Production Association.

Taking into account the extreme importance of the question regarding the halting of the first and third power units of the Chernobyl AEPP, this governmental decision has been submitted for coordination to the Supreme Council Presidium and to Ukraine's president.

The draft State Program for the Privatization of Property of State Enterprises that was discussed by the Cabinet of Ministers was elaborated in accordance with the Concept of Destatization and Privatization of Enterprises, Land, and Housing Space and with Ukraine's laws on privatization. The Draft Program specifies priorities and conditions for privatization of property of state enterprises and privatization tasks for 1992. Enterprises that are subject to urgent privatization and those that are not subject to privatization in 1992 have been marked out.

Objects of privatization are classified in terms of the balance cost of fixed assets and qualitative characteristics. Ways to privatize every group of facilities have been specified and quotes determined for their privatization with the utilization of property privatization certificates. The Draft Program also stipulates terms for foreign investors' participation in privatization.

The Draft Program has been approved at a meeting of the Cabinet of Ministers and submitted for discussion to Ukraine's Supreme Council. The final decision rests with the parliament.

Veterans of Nuclear Tests Meet in Kiev

LD0806102292 Moscow Mayak Radio Network in Russian 1700 GMT 6 Jun 92

[Text] The constituent conference of a Kiev public group uniting veterans of nuclear tests and training maneuvers took place in the Ukrainian capital today. Its plan of action includes a search for ex-servicemen who suffered in nuclear tests, training maneuvers, or accidents and providing them with social, economic, and legal aid; assistance to Ukraine's state and public structures in securing nuclear-free status for Ukraine and in scrapping nuclear weapons; patriotic education for the young and training them to serve in the Ukrainian Armed Forces. An all-Ukrainian constituent congress of the veterans of nuclear tests and training is to be held in the autumn.

Defense Enterprise To Produce 'Peaceful Goods'

LD0406122292 Moscow ITAR-TASS in English 1125 GMT 4 Jun 92

[By UKRINFORM correspondent Yelena Alikhanyan—for TASS]

[Text] Kiev, June 4 TASS—The artificial kidney medical device which used to be imported from other countries, will be produced at the Almaz enterprise on an order from the state. The defence enterprise in Kiev will henceforth produce peaceful goods.

The new product was designed by the Geofizika Research-and-Development Association, local specialists further modified it to combine the latest achievements of the domestic and foreign medical instrument-making, which makes it possible to implement the most effective ideas when treating patients with kidney diseases—both acute and chronical.

Taking into account the interests of smaller clinics, Almaz will produce small-size individual systems which can be installed practically everywhere to take care of a single patient. An automatic control device will guarantee stability in the functioning of the systems. The patient will be automatically protected against any unscheduled effects.

More than 400 new products have already been sold to specialised nephrological centres and other clinics. Specialists from Almaz are available to install the artificial kidney system and for consultations when the need arises.

National Guard Begins Service on Contract Basis

LD0806054192 Moscow Mayak Radio Network in Russian 2130 GMT 5 Jun 92

[Text] According to Lieutenant Colonel Budenko of the Ukrainian National Guard, a resolution has been drafted according to which the guard soldiers and sergeants will be able to do the military service on a contract basis. It is expected that contracts will be signed with servicemen who have served for at least three months, as well as with single women from 19 to 35 years of age wishing to serve in the Ukrainian National Guard. Contracts will be signed for three years, after which they may be extended. The age limit for serving on a contract will be set at 45 years.

Crimean Official on Economic Independence

LD0806130392 Kiev Radio Ukraine World Service in English 1027 GMT 8 Jun 92

[Text] Deputy chairman of the council of ministers of the Crimea, (?Anatoliy Franchuk), indicated that it is impossible to build now economically independent Crimea because it receives the bulk of electricity from Ukraine, and the same goes for mineral resources, food products, consumer goods and drinking water. (?Anatoliy Franchuk) believes that the Crimea should better obtain the status of a free economic zone within the composition of Ukraine.

Conservative Republican Party Created

LD0706161292 Kiev Radio Ukraine World Service in English 0000 GMT 7 Jun 92

[Text] The creation of the Ukrainian Conservative Republican Party was announced in Kiev. This took place at the emergency conference of the radical wing of the Ukrainian Republican Party.

Byelarus

Government To Raise Former Soviet Fleets Issue

OW0806224592 Moscow INTERFAX in English 1913 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] At the next meeting of Commonwealth leaders Byelarus will raise the question of dividing the former Soviet commercial and fishing fleet, Vice Prime Minister Stanislav Bril said at a press conference in Minsk Monday [8 June]. Bril said that the need of the Byelarusian Cabinet of Ministers Vyacheslav Kebich raised this topic at the Tashkent summit. However, due to Ukrainian leader Leonid Kravchuk's position the matter was not discussed, Bril said. The Byelarusian vice prime minister said that a special inter-government committee on the division of the former Soviet fleet will be formed soon.

Kebich Interested in Nuclear Decontamination

OW0806215492 Moscow INTERFAX in English 1701 GMT 8 Jun 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin and edited by Boris Grishchenko; from "Presidential Bulletin" No. 89—transmitted via KYODO]

[Text] Prime Minister Vyacheslav Kebich on Monday [8 June] studied proposals from the "Fotosintez" nature conservation enterprise in Yoshkar-Ola (the Mari-El republic, a subject of the Russian Federation), for decontaminating all areas in Byelarus, contaminated with radioactive nuclides within two years. The scientists say they will be able to do so with the use of their invention they have worked on for about 30 years. They say that their invention turns caesium and strontium into harmless, stable isotopes in 9 months and plutonium, within two years. Experiments held in areas of Byelarus affected by the Chernobyl nuclear power plant have confirmed this.

Besides, the treatment of soil with what they describe as a photobiodynamic zeolite produced no pathological changes in the soil. The new method of decontamination is far less expensive than the one used currently. The conventional method requires 1 million rubles to demontaminate one hectare. Experts in Yoshkar-Ola say they can reduce the cost to 60 thousand.

Sources close to the Byelarusian Prime Minister Kebich say he is very interested in the project.

Defense Ministry Collegium Holds First Session

LD0906113892 Moscow Mayak Radio Network in Russian 0800 GMT 9 Jun 92

[Text] The collegium of the Byelarus Defense Ministry held its first session in Minsk. It examined the results of winter's armed exercises and goals in further improving troop training. Sixty-eight military units with over 6,000 soldiers serving in them are due to be hit by cutbacks this year.

Brest Free Economic Zone Begins Operation

LD0506195292 Moscow Programma Radio Odin Network in Russian 0730 GMT 5 Jun 92

[Summary] The Brest free economic zone covers only 10 square kilometers. The first dozen enterprises with the capital they have brought in, including from abroad, are already operating in Brest. Their output stands out favorably on the counters.

Prime Minister Meets With Italian Businessmen

LD0706094292 Moscow ITAR-TASS World Service in Russian 1450 GMT 5 Jun 92

[By BELTA correspondent Valentina Menshikova]

[Text] Minsk, 5 Jun—"Highly qualified engineers and workers are the main capital we can successfully trade on the external market." This was revealed by the chairman of the Byelarusian Council of Ministers at today's meeting with representatives of major Italian firms.

The head of the government noted with satisfaction the ever increasing interest of foreign investors in Byelarusian industry. In his opinion the republic has great intellectual and labor potential. Many countries in the West and East, the prime minister stated, are ready to cooperate on mutually beneficial conditions with Byelarusian enterprises.

Vyacheslav Kebich stressed that the Italian credit, guaranteed by the government, will be used by 12 to 14 private firms. The Byelarusian partners will pay off the credit in finished goods which the Italians take to sell to third countries. Advantageous contracts have been signed with the Simod firm, which specializes in producing sportswear. A contract with the firm Agrofina, which specializes in processing agricultural produce, is in the final stages.

New Ambassadors to Germany, Poland Appointed

OW0806162792 Moscow INTERFAX in English 1449 GMT 8 Jun 92

[Report by diplomatic correspondents Igor Porshnev and others; from the 8 June "Diplomatic Panorama" cast—transmitted via KYODO]

[Text] The presidium of the Byelarusian parliament has chosen experts in German and Polish affairs to be ambassadors to Germany and Poland. In Germany, the Byelarusian interests will be represented by Chairman of the Parliamentary Commission for International Affairs and Foreign-Economic Relations Pyotr Sadovskiy who is a teacher of German by profession and who has the degree of Candidate of Philology.

Byelarusian Deputy Foreign Minister Vladimir Senko has been moved to the post of ambassador to Poland. This diplomat has a perfect command of Polish and worked in the former Soviet embassy in Poland for many years.

Moldova

Government Resigns; Four Ministers Remain

LD0906131792 Moscow ITAR-TASS in English 1229 GMT 9 Jun 92

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Chisinau, June 9 TASS—The Moldovan Government handed in its resignation today morning, the Moldovan parliament was told by President Mircea Snegur today during the opening of parliament's session today morning. He said the government decided to resign yesterday evening. Four members of the cabinet, including ministers of defence, internal affairs, national security and culture, did not hand in their resignations. The decision of the first three ministers is explained by the tense situation persisting in conflict areas. No reasons are known why the minister for culture refuses to resign. It is also unclear how the parliament will react to the resignation. A one-hour interval [as received] has been made in the session for consultations. In his statement, President Snegur welcomed the presence of several deputies from the Dniester area, who boycotted the parliament for 1.5 years due to the conflict. Snegur stressed that "we must resolve all the existing problems in the parliament and not in trenches".

The government's resignation did not come as a surprise. Several political parties of the republic demanded the cabinet's resignation the day before due to its inability to implement the economic reform and to resolve the Dniester conflict by peaceful means. The situation in Chisinau grew tenser on the eve of the session. Anonymous leaflets appeared in the city, accusing the Moldovan leadership of incompetence and corruption. Citizens were urged to picket the parliament and to demand the government's resignation. The official authorities stated that these leaflets were circulated by definite anti-government forces in order to destabilise the situation. They urged the people to remain calm. Nevertheless, parliament building was guarded by reinforced police squads today morning. There were some aggressive groups of pickets there, too.

Grigoriopol Reported Under State of Siege

LD0906084592 Moscow Mayak Radio Network in Russian 0800 GMT 9 Jun 92

[Text] According to reports from Chisinau, a state of siege has been declared in the rayon center of Grigoriopol. Although armed clashes have not taken place in any of the rayon's settlements, the local executive committee's building looks like a besieged fortress. Squads of armed guardsmen stand outside the main entrance and patrol inside. ITAR-TASS reports that people sent in from Tiraspol have appeared in the town, in tanks and armored personnel carriers. According to the correspondent of a Moldovan agency, this hardware is from the 14th Army arsenals. Among the vehicles' crews were women, wearing military uniform and carrying automatic weapons.

Exchanges of Fire Continue in Dniester Region

LD0906090992 Moscow ITAR-TASS World Service in Russian 0810 GMT 9 Jun 92

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Chisinau, 9 Jun—Exchanges of fire continued between Moldovan and Dniester region armed formations last night in the left bank regions of Moldova. The sides accused one another of violating the truce.

Thus, the Moldovan Interior Ministry press center reports that Dniester region subunits shelled police and volunteer positions in the region of the village of Gura-Bykuluy to the north of the town of Bendery and near the the village of Koshnitsa in Dubossarskiy rayon, from heavy machine guns, grenade launchers, and field guns.

According to information from the Dniester region press center, Moldovan formations again shelled Dubossary. A local resident was wounded. Shelling was also observed in the Grigoriopol area.

Snegur on Russian Defense Minister's Remarks

OW0806150692 Moscow INTERFAX in English 1407 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] Moldovan President Mircea Snegur has assailed Russian Defence Minister Pavel Grachev's recent statement to the effect that he was determined to defend ethnic Russian wherever they live. The president's press service quotes Snegur as saying to journalists that as a subject of international law Moldova can import arms and military equipment from any state which has been authorized to sell arms by the world community.

Meanwhile, the press centers of the Moldovan defence ministry and of the Dniester government report that last night was relatively calm in the conflict zone. There was sporadic fire, though, near the villages of Cosnita and Gura-Bykului. There were no victims.

Gagauz Leader Seeks Federative Structure

LD0806161192 Moscow Russian Television Network in Russian 1900 GMT 6 Jun 92

[Report by correspondent S. Barabanov, including recorded remarks by Gagauz Supreme Soviet Chairman M. Kendigelyan; from the "Vesti" newscast]

[Text] Against the backdrop of the dramatic events in the Dniester Region, the situation in Moldova's other hotspot—Gagauz—seems to remain in the background. From here, however, things look very tense. The chairman of the Gagauz Supreme Soviet describes the results of the session of the Gagauz Supreme Soviet, which has ended, and at which deputies put forward a plan to stabilise the situation in Moldova.

[Kendigelyan] The Supreme Soviet of the Gagauz Republic wants to preserve the territorial integrity of the former Moldavian SSR. With this purpose in mind, we put forward an initiative to the leadership of the Republic of Moldova and to the parliament of the Republic of Moldova asking them to examine the possibility of a federative structure for the Republic of Moldova so that the Gagauz Republic could be part of this new formation.

Conflict Costs 1 Million Rubles Daily

LD0706023192 Moscow Programma Radio Odin Network in Russian 1500 GMT 4 Jun 92

[Text] One more aspect of the conflict in the Dniester region should be noted: Each day of this confrontation costs the authorities almost 1 million rubles. According to the reports of NEZAVISIMAYA MOLDOVA, military expenses in January and February alone amounted to 50 million rubles. Expenditure on the republican guard has also increased considerably.

In one of his recent talks on national televison, President Snegur pointed out that armed activities in the Dniester region, where 37 percent of the industrial potential is located, inflicts serious damage on the republic's economy.

Security Ministry Denies Terrorist Involvement

MK0506094592 Moscow NEZAVISIMAYA GAZETA in Russian 5 Jun 92 p 3

[NEGA column report under the general heading: "Moldova"]

[Text] The Moldovan National Security Ministry has issued a statement denying that "terrorist acts in the Dniester region have been carried out under its leadership." It has already been reported that Ilie Iliescu, head of the Tiraspol branch of the Christian Democratic People's Front, arrested in Tiraspol 3 June, had admitted that the "Black Panther" and "Burunduki" terrorist groups among others are operating in the Dniester region and that their activity is coordinated by the Ministry of National Security.

Foreign Minister Discusses Policy Priorities

AU0706144092 Bucharest Radio Romania Network in Romanian 1900 GMT 6 Jun 92

["Excerpt" of interview with Moldovan Foreign Minister Nicolae Tiu by correspondent Septimiu Roman; date and place not given—recorded]

[Text] [Roman] Minister Tiu, you have had a very busy period with numerous meetings in Moscow, Kiev, and Oslo. Would you please sum up these meetings for us? What did you propose and what did you achieve?

[Tiu] The central issue of our foreign policy now is to settle the conflict which is truly hampering democratization in our republic, the achievement of a democratic state based on law, and a market economy.

We all understand that the republic leadership has to deal with these problems and the problems this conflict brings.

When discussing these problems in Moscow and Kiev, we reached the conclusion that the solution to this conflict is only possible through fulfilling the statement issued by the four foreign ministers on 6 April in Chisinau, which laid the foundation for settlement by peaceful means.

I have to say with regret that many things mentioned in that statement are not being implemented. First, this conflict is being financed by Moscow and supported militarily through the involvement of [words indistinct] which took place and so forth.

At the same time, we also discussed issues connected with bilateral relations between Moldova and Russia and Moldova and Ukraine. There are many things to be done in this respect, because of our economic and other problems due to the crisis we are going through.

In Oslo I participated in the North Atlantic Cooperation Council meeting where the participants mainly discussed European security issues. I am talking about the problems connected with the sources of conflict in Yugoslavia and Nagorno-Karabakh.

In our speech we presented our position on the problems connected with the conflict on the left bank of the Dniester. The Paris Treaty on reducing conventional arms in Europe was also discussed. In this context we stressed that since there are illegal Russian troops on our territory today, we are unable to continue negotiations on this treaty. For example, we have no tanks, while on the left bank of the Dniester there are approximately 150 tanks. The quota that was assigned, the document that was signed in Tashkent by the CIS defense ministers, stipulates that Moldova [words indistinct] more than 200 tanks. We do not possess any tanks but there are tanks in the republic. Therefore, we asked the following question: What is the status of these tanks? Are they ours or are they property of the Russian Army on foreign territory and not included in Russia's quota?

We demanded that the 14th Army withdrawal begin as soon as possible, and we asked for our share of the weapons that should be sent to Moldova on the basis of our quota within the former Soviet Army and our quota under the (?Tashkent) treaty.

Commission Formed To Analyze Situation in South

LD0506225992 Moscow ITAR-TASS in English 1907 GMT 5 Jun 92

[By MOLDOVA-PRESS for TASS]

[Text] Chisinau 5 [dateline as received]—The Moldovan Government formed a state commission today to analyze the situation in the republic's southern regions. The commission is entrusted with scrutinising the political and social situation and working out proposals to be submitted to the parliament.

The commission headed by First Vice Premier Konstantin Oborok includes the interior minister, the justice minister, the national economics minister and representatives of the local authorities of Moldova's southern regions.

Romanian Group Meets Muravschi, Holds Talks

AU0806131992 Bucharest ROMPRES in English 1234 GMT 8 Jun 92

[Text] Chisinau, ROMPRES 8/6/1992—A delegation of the Romanian Agency for Development at head with its Chairman Misu Negritoiu, deputy prime minister, paid a visit to Chisinau, at the invitation of Gheorghe Efros, deputy prime minister, chairman of the State Committee on economic Reform of the Republic of Moldova.

The delegation was received by Moldovan Prime Minister Valeriu Muravschi, conducted talks with heads of the State Committee on Economic Reform, the Ministry of Foreign Economic Relations, the Ministry of Economy and Finance, toured economic units.

A protocol of intention was signed on future collaboration between the Romanian Agency for Development and the Ministry of Foreign Economic Relations of the Republic of Moldova.

Party Leader Druc Becomes Romanian Citizen

LD0806133992 Moscow ITAR-TASS World Service in Russian 1120 GMT 8 Jun 92

[By ITAR-TASS correspondent Dmitriy Dyakov]

[Text] Bucharest, 8 Jun—Mircea Druc, chairman of the Christian-Democratic Front of Moldova, has been granted Romanian citizenship, ITAR-TASS was informed today by the Romanian Foreign Ministry passport section. Druc, who is currently studying for a doctorate at the Bucharest Academy of Economics, was proposed by Romania's environmental movement as its presidential candidate back in early May. He agreed to run and in an interview with the newspaper TINERETUL LIBER even claimed he had every chance of winning. The only obstacle in his way was the lack of Romanian citizenship—which has now been remedied.

Although the leaders of many political parties, including National Salvation Front chairman Petre Roman, were sceptical about the former Moldovan premier being proposed for head of state, analysts here do not rule out support for Druc from other sources, in particular nationalists who want a reunited Moldova and Romania as soon as possible.

Kazakhstan

President Attends Inauguration of Trading House

OW0806214292 Moscow INTERFAX in English 1701 GMT 8 Jun 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin and edited by Boris Grishchenko; from "Presidential Bulletin" No. 89—transmitted via KYODO]

[Text] President Nursultan Nazarbayev, of Kazakhstan, has attended the inauguration of the Kazakh republican trading house "Ynkymak", selling home-made and imported consumer goods. IF [INTERFAX] note: The trade house was founded by the Ministry of External Economic Ties, external trade agency "Kazakhintorg" and some big industrial enterprises, including the "Dzhezkazgantsvetmet" industrial association. The national bank granted "Ynkymak" 500 mln. [million] rubles in credits.

Nazarbayev Urged To Act Against Extremists

OW0506021692 Moscow INTERFAX in English 0038 GMT 5 Jun 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"; transmitted via KYODO]

[Text] At the Thursday [4 June] parliamentary session Izbaskan Aimagambetov urged President Nazarbayev to apply tough sanctions against activists of the unregistered Zheltoksan and Alash parties. He said that on Wednesday [3 June] activists blocked the way of MPs [members of parliament] leaving the House of government and made them take off their deputy's pins because they "do not express the will of the people".

IF [INTERFAX] note: When the draft constitution was submitted several days ago, the president said that law-enforcement bodies should deal with the extremists of the two parties.

Nazarbayev Invited To Visit Germany, Egypt

LD0406225592 Moscow ITAR-TASS in English 1809 GMT 4 Jun 92

[By KAZTAG correspondent Gennadiy Kulagin for TASS]

[Text] Alma-Ata, June 4 TASS—President Nursultan Nazarbayev of Kazakhstan received today two invitations at once, one from German Chancellor Helmut Kohl, and the other from Egyptian President Husni Mubarak.

The message from the German leader contains information on aims of the forthcoming Munich conference of leaders of seven leading industrially developed countries, during which fundamentals of their policy in respect of new independent states will be discussed. In order to give an opportunity to the Kazakh leader to express his opinion on these questions, Helmut Kohl has invited him on behalf of the G-7 [Group of Seven] countries to take part in the high-level meeting, which may be held in Helsinki after the Helsinki Conference.

In his personal message to Nursultan Nazarbayev, Egyptian President Husni Mubarak highly evaluated the established bilateral relations between the two countries, and having expressed hope to raise them to a new level, invited the Kazakh president to come to Cairo on an official visit in the near future.

The Kazakh president is yet to send and official reply to the two leaders.

Supreme Soviet Examines Economic Reform

LD0806204292 Alma-Ata Kazakh Radio Network in Russian 2300 GMT 6 Jun 92

[Text] At the session of the Supreme Soviet, deputies examined draft Supreme Soviet decisions on the government report on the progress of the economic reform, and the national state bank's report on the money supply in the republic. These were delivered on 6 June by Takezhanov, chairman of the committee on issues of the economic reform, budget, and finance. Important remarks and proposals were made during an animated and comprehensive discussion. As a result, the draft decision on the government report will be examined later, and the decision on the report of the national state bank will be made.

A parliamentary recess until 17 June was announced.

Country's Medicine Supply Shortages Discussed

LD0506105592 Alma-Ata Kazakh Radio Network in 2300 GMT 3 Jun 92

[Excerpts] The Supreme Soviet committee on people's health care and social protection met on 3 June to discuss the state of and prospects for supplying medicine to the people. The report by Health Minister (?Devyatko) and speeches by deputies noted that the supply of medicine in Kazakhstan is in an extremely serious state. [passage omitted] The pharmaceutical industry is only in its infancy, and although it has already produced 50-million rubles worth of goods, it is very little for the republic. The committee opted to formulate a scientifically based program for supplying the population with medicine.

Prime Minister Sergey Tereshchenko also addressed the session. The draft laws on citizens' medical insurance, on expanding the powers of the Presidium of the Supreme Soviet, and proposed changes to legislation on local governments were also examined. Other Supreme Soviet committees also met.

Karaganda Oblast Medical Workers End Strike

LD0806204192 Alma-Ata Kazakh Radio Network in Russian 2300 GMT 6 Jun 92

[Text] All medical establishments in Karaganda Oblast will resume work on 6 June. The strike is over. This decision was made by representatives of most of the medical establishments which went on strike on 28 May. The main factor leading to this decision was a fear that the strike might have undesirable and irreparable consequences for the health of patients.

Diplomatic Relations Established With Norway

LD0906100792 Alma-Ata Kazakh Radio Network in Russian 0600 GMT 8 Jun 92

[Text] Norway has established diplomatic relations with four former republics of the USSR, including Kazakhstan. Protocols were signed in Oslo by the foreign ministers of those countries who are in the Norwegian capital to take part in a session of the North Atlantic Consultative Council.

Kyrgyztan

Prime Minister Cited on Economic Policies

OW0506211792 Moscow INTERFAX in English 1815 GMT 5 Jun 92

[From the "Presidential Bulletin" feature; prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; transmitted via KYODO]

[Text] Premier Tursunbek Chyngyshev points out that the republic's economy faces conditions different even from those that obtained two or three years back. In his Friday's [5 June] address to a meeting of economic and finance officials he announced that June 9 the cabinet will discuss correcting the principal economic policies of the government. He emphasized that with a relatively stable political and ethnic situation and the necessary laws for carrying out reforms Kyrgyzstan has no objective reasons to hamper its gradual emergence from the economic crisis. But those chances aren't fully used, he rebuked.

In the Premier's opinion it's not the choice of economic levers that's in question for the current transition to market economy, but the tempo of that transition. He pointed to the slow rate of privatization and dismantling of the government structures. There are some 8,000 farms in the republic's agriculture now, but effective work in that sector requires not less that 80,000.

T. Chyngyshev urged handing out land into private ownership in some cases, though the land code of the republic bans private property of land. The Premier argued the value of that measure by China's experience witnessed by a Kyrgyz delegation which recently visited its adjacent areas.

Economic Minister on Positive IMF Appraisal

LD0106173492 Moscow Radio Rossii Network in Russian 1600 GMT 30 May 92

[Text] Representatives of the International Monetary Fund [IMF] and the World Bank of Reconstruction and Development are giving a positive evaluation to Kyrgyzstan's economic prospects. This was reported to journalists by Amangeldy Muraliyev, the republic's minister for economics and finance, on his return from Lisbon where an international conference on aid to the republics of the Commonwealth of Independent States took place. In order to receive financial aid we must draw up a plan for the republic's economic development and defend it before the International Monetary Fund and the World Bank for Reconstruction and Development, Muraliyev stressed. Such a document will be prepared in June this year, the NEGA Agency reports.

Turkey Reported To Supply Soviet-Made Pistols

MK2905154592 Moscow NEZAVISIMAYA GAZETA in Russian 29 May 92 p 6

[NEGA report: "Counting on Turks"]

[Text] The Kyrgyz militia is hoping to receive 100 Soviet-made pistols from the Turkish security service. An agreement has already been reached, but it is reported that the Kyrgyz side would like to receive Makarov and Stechkin pistols because they are better than their foreign equivalents.

Social Protection Measures for Servicemen Noted

LD0506200492 Moscow Programma Radio Odin Network in Russian 1500 GMT 5 Jun 92

[Text] The Kyrgyzstan Government will take all the necessary measures to ensure that the reduction of the military contingent on the republic's territory does not become a tragedy for officers and ensigns. A resolution by Kyrgyz Vice President Feliks Kulov published today stipulates the measures of social protection for servicemen and their families. The authorities will not force any one to take a new oath, said the vice president. The government will try, as far as its finances will allow it, to assist in building housing outside the republic for those who decided to leave Kyrgyzstan.

President Akayev Receives New Swiss Ambassador

LD0406144192 Moscow ITAR-TASS in English 1256 GMT 4 Jun 92

[By KYRGYZTAG-TASS correspondent Albert Bogdanov]

[Text] Bishkek, June 4 TASS—The Swiss confederation has accredited Jean Pierre Ritter as its ambassador extraordinary and plenipotentiary to Kyrgyzstan. He presented his credentials to Kyrgyz President Askar Akayev today.

Tajikistan

Special Police Unit Sent to Kulyab Region

LD0906110292 Moscow POSTFACTUM in English 0935 GMT 9 Jun 92

[From the "Military News" section]

[Text] Dushanbe—In the night of June 9 an extensive operation for the disarmament of the Presidential Guard Battalion and the Kulyab Police Division started in Tajikistan's Kulyab region.

On June 8 chairman of the National Security Committee, representative of the opposition Mr. Saliboyev told PF [POSTFACTUM] correspondent that in the night of June 8 a Special Police Unit [OMON] equipped with military vehicles and other forces subordinate to the republican Interior Ministry were sent to Kulyab. According to Mr. Saliboyev, the government has taken these resolute actions due to the increased number of refugees and information on mass murders of supporters of the national reconciliation government that have started in Kulyab.

Mr. Saliboyev said that, in the afternoon of June 7, Kulyab terrorists supported by local police opened fire on a funeral procession burying supporters of the Democratic Party and Tajikistan Islamic Revival Party killed by terrorists. According to Mr. Saliboyev, the incident made the armed group, escaping from terrorists on the Shar-Shar mountain pass, come to the assistance of their comrades on the night of June 8. On the same night former presidential guard units and local police surrounded this armed detachment and started its termination. As a result over 20 supporters of the national reconciliation government were killed. No information is available on the casualties among Kulyab terrorists.

According to the National Security Committee, Kulyab terrorists are currently armed with approximately 3,000 guns, aside from the weapons of local police supporting the terrorists. According to Mr. Saliboyev, all supporters of the former opposition as well as advocates of the republican kaziat (official clergy) and their families are being shot in Kulyab without any legal trial. People hiding independent, e.g. pro-democratic, newspapers are also being murdered. Local authorities are taking no action. All power is in the hands of terrorists controlling the region and imposing heavy duties. Local residents are completely frustrated. The number of refugees has reached 300. Their move to Dushanbe is blocked by armed patrols firing at anyone considered suspicious, noted Mr. Saliboyev.

21 Dead in Shooting

OW0906101492 Moscow INTERFAX in English 0943 GMT 9 Jun 92

[Transmitted via KYODO]

[Text] Tajikistan's cabinet reports that over the past two days, 21 people were killed in the shooting between opposition fighters and the president's guards in the Vose district of the Kulyab region. During a meeting with President Nabiyev's participation, the cabinet took the decision to use Interior Ministry units for disengaging the conflicting sides.

Last week, President Nabiyev visited Kulyab (south of Tajikistan) where he made futile attempts to persuade the conflicting sides to surrender arms.

Clashes between the president's opponents and supporters are also taking place in Khudzhand and Kurgan-Tyube. The commanders of the opposition fighters do not agree with the opposition leaders in that Rakhman Nabiyev should remain president. Besides political differences, confrontation in the republic is being instigated by clan disagreements.

Region Discussed With Refugees

LD0906143392 Moscow POSTFACTUM in English 1225 GMT 9 Jun

[From the "Politics" section]

[Text] Dushanbe—Late on June 8 in Dushanbe, the session of the Cabinet of Ministers and the president's staff discussed the situation in Kulyab and the Kulyab region with refugees from the region taking part.

The session was attended by President Rakhman Nabiyev, Prime Minister Akbar Mirzoyev, the chairman of defense committee, Major-General Bakhram Rakhmanov as well as the leaders of the republic's Interior Ministry and the National Security Committee.

Addressing the session, one of the most respected representatives of the clergy, Shaykh Kamol who fled Kulyab said that what is happening in the region can be described as massacre with all the dissidents being murdered. Two of his sons and a grandson were killed, he said, three sons were taken hostage, his house was burned down and the property worth R1.5 million looted. The refugees attending the session accused President Rakhman Nabiyev of betraying them and conniving with the terrorists. One of the refugees said, in particular: You have given out arms and don't want to take them back and disarm the terrorist groups. You hope they will return to Dushanbe to protect you from the opposition. The republic's deputy prime minister and deputy chairman of the Islamic Revival Party Davlat Usmon told PF [POSTFACTUM] that on June 7, during his visit to the Kulyab region, President Rakhman Nabiyev spoke over the local radio and appealed to the Kulyab population saying: I gave you arms to protect me and your families.

Davlat Usmon believes that the president is plying a covert game and called him a very perfidious and rancorous politician from whom anything can be expected. In the past three days, the leaders of the United Bloc

comprising the Democratic Party of Tajikistan, the Islamic Revival Party and the Popular Movement Rostokhez as well as the Lahli Badakhshon Society have warned their supporters to be ready, at the command of their parties' leaders, to at any moment begin the defense of the Dushanbe TV center, the National Bank, the airport and the railway station, the radio house and other important buildings in the city as well as put outposts at the entries to Dushanbe.

According to the information made available to PF, the opposition is worried over the rumors about the Kulyab armed units being helicopter-lifted to Dushanbe while their supporters, in accordance with the agreement protocol signed on May 7, have surrendered their arms and are unable to defend these buildings. The leading position in the Kulyab region, PF was told by the refugees, has been assumed by the Kazi of the independent spiritual administration of the Kulyab region, Mullah Khaydar, but after the night shooting on June 8 he disappeared, destination unknown. According to security officers, one of the terrorist groups organizers, Sangak Safarov, has also disappeared from Kulyab. He has a record of 22 years of imprisonment.

According to the leaders of the Tajikistan National Security Committee, Safarov has flown to the town of Khudzhand, Leninabad region, for talks on the military equipment and manpower from among the units opposed to the national reconciliation government to be airlifted to Kulyab. Davlat Usmon told PF that President Nabiyev intends to shortly sign a decree on arresting the republic's Prosecutor-General Nurullo Khuvaidillayev who, in defiance of the protocol of the agreement between the president and the opposition on creating a cabinet of ministers of national reconciliation, continues to occupy his former post. According to unconfirmed reports, a decree is also to be signed on arresting former speaker of the Supreme Soviet Safarali Kendzhayev and the republic's former Vice-President Narzullo Dustov.

According to some reports, a difficult situation has also emerged in the Kurgan-Tiubinsk region where the supporters and opponents of the coalition government may clash. The opponents of the coalition government in the Kurgan-Tiubinsk region have 500 machine guns that were seized at the local militia station in the town of Vakhsh. The opponents of the coalition government control a few villages and one of the region's districts. An open physical confrontation is possible in the town of Vakhsh between the supporters and opponents of the coalition government that are divided by only about two kilometers. The government supporters have gathered in the stadium while the opponents in another part of the town and both sides are getting ready for resolute action.

Nabiyev Proposes Increasing Presidential Powers

OW0606141492 Moscow INTERFAX in English 1334 GMT 6 Jun 92

[Transmitted via KYODO]

[Text] Tajik President Rakhman Nabiyev flew to the Leninabad district Saturday [6 June]. He will visit areas hit by the natural disaster to determine the amount of aid to send the region. During his visit Nabiyev will meet with representatives from the district which does not recognize the national government of Tajikistan. The government came to power in the republic under pressure from the opposition to replace the communist regime.

The day before his visit to the Leninabad district Nabiyev met with his staff and developed the following proposal: To unite Tajikistan, which is essentially divided at present, the President's powers must be increased and his representatives appointed in all districts of the republic.

Meets With Local Officials

OW0806212792 Moscow INTERFAX in English 1701 GMT 8 Jun 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin and edited by Boris Grishchenko; from "Presidential Bulletin" no. 89—transmitted via KYODO]

[Text] President Rakhman Nabiyev ended a two-day tour of the Leninabad region on Sunday [7 June]. He visited a number of areas affected by mud flows and met with local people and managers.

At the end of the trip President Nabiyev held a conference of local officials and members of local governments and the republican Supreme Soviet in Khudjant. About the political situation in Tajikistan President Nabiyev said he would like the people to rally around the government of national accord. Leninabad region officials voiced a number of critical remarks concerning the new government and their unanimous support for the President elected by the people.

IF [INTERFAX] note: The President's Secretariat has said that Nabiyev was satisfied with the trip. About the possibility of dividing the Leninabad region and handing part of it over to Uzbekistan Nabiyev said: "Neither history nor the people will forgive it, if we separate. We must rally around strong presidential rule, I can see no other way out", he said.

Law on Militia, Weapons Comes Into Force

LD0506162792 Moscow ITAR-TASS World Service in Russian 0727 GMT 5 Jun 92

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 5 Jun—The militia in Tajikistan has received the right to carry, hold, and use weapons. This has been laid down in a new law on militia ratified by the Tajik parliament and which has come into force from today on the territory of this Central Asian republic.

The document regulates in detail the range of responsibilities of the state law-keeping body, excludes the possibility of its staff being allocated to carry out tasks which violate the republic's Constitution and other legislative acts. It clearly defines legal and social guarantees for militia staff, including the right to state social insurance, court protection, compensation for loss of health, and give compensation for the professional risks they face.

The republic's procurator general and the procuracy under him have been entrusted to monitor observance of the law in the activities of the militia.

Kurgan-Tyube Democratic Party Elects Leader

LD0806173492 Dushanbe Radio Dushanbe Network in Russian 1000 GMT 7 Jun 92

[Excerpt] A conference of the Kurgan-Tyube oblast organization of the Democratic Party of Tajikistan examined this year's activities. During a comprehensive examination of the secretariat's work, the delegates examined a series of questions related to solving the oblast's difficulties, ensuring the unity of its ethnic groups and tribes, developing its economy, and supporting the new government of national reconciliation.

The conference tackled an organizational question: Ibrakhim Abduldzhabor, hitherto deputy chairman of the Democratic Party of Tajikistan's oblast organization, was elected chairman. [passage omitted]

Gorno-Badakhshanskaya Oblast Changes Name

LD0406204992 Moscow Radio Rossii Network in Russian 1900 GMT 4 Jun 92

[Text] A session of the soviet of the former Gorno-Badakhshanskaya Autonomous Oblast in Tajikistan approved a new name today and thus raised its autonomous status. From now on it will be called Pamiro-Badakhshanskaya Autonomous Republic, NEGA reports. Having become the stronghold of the opposition forces in Tajikistan, the autonomous oblast raised its status as long ago as the beginning of April. However, right up to the May events in Dushanbe the pro-communist parliament in Tajikistan refused to agree to the formation of an autonomous republic.

Diplomatic Relations Established With Pakistan

LD0906091292 Dushanbe Radio Dushanbe Network in Tajik 1700 GMT 8 Jun 92

[Text] State Minister Shahzada Mohiuddin and a special envoy of the prime minister of Pakistan, who was in Dushanbe for an official visit, handed a personal letter from the prime minister to Tajikistan President Nabiyev. During his visit, he also met with Prime Minister Mirzoyev, First Deputy Prime Minister Ghafarov, and Deputy Prime Minister Davlat Usmon.

On 6 June, Foreign Ministser Kholiknazarov received Shahzada Mohiuddin and signed a protocol on establishing diplomatic relations between Tajikistan and Pakistan. Shahzada Mohiuddin ended his visit to Tajikistan on 7 June.

Turkmenistan

Russia's Grachev on Military Agreements

LD0806164192 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1400 GMT 8 Jun 92

[Video report by correspondent Sergey Babayev from Askhabad on meeting between Turkmen President Niyazov and Russian Defense Minister Pavel Grachev, including recorded remarks by Grachev; from the "Novosti" newscast]

[Text] Negotiations between Russia and Turkmenistan on the status of troops deployed on the territory of this Central Asian republic took place in Ashkhabad today.

[Babayev] A protocol of the working meeting was signed after an hour-long conversation between President Niyazov and Russian Defense Minister Grachev, and following talks carried out by the delegations. It was signed by Grachev and Turkmen Defense Minister Kopekov. According to the protocol, Turkmenistan, on the basis of two formations and units, the list of which is to be agreed on, is setting up national armed forces under unified command. Air defense formations and airborne units will, organizationally, be part of the Russian Federation.

[Grachev] The third point: The re-manning of military formations on the territory of Turkmenistan and the training of cadres for them will be done jointly by the Russian Federation and Turkmenistan. The fourth point: Providing vital activity, housing, communal services, medical protection, and so on for all military formations deployed on the territory of Turkmenistan will be done by the Turkmen side, while financing and material and technical provisioning will be carried out by the Russian side for the transitional period.

The fifth point: The sides proceed from the understanding that, in the process of reorganizing the armed forces of the former Union deployed on the territory of Turkmenistan, civil and social rights of servicemen and members of their families will be fully observed.

Media Briefed

LD0806164492 Moscow Radio Rossii Network in Russian 1600 GMT 8 Jun 92

[Text] As we have already reported, Turkmenistan and Russia have signed a protocol on military cooperation in Ashabad. Turkmenistan President Saparmurad Niyazov described this document as a splendid one. At a news conference on the results of the Russian-Turkmen talks

in Ashkhabad, the head of the republic stressed that the accords exceed the expectations of the Turkmen side.

According to Russian Defense Minister Pavel Grachev, who headed the Russian delegation at the talks, following the discussion of various versions, the two republics arrived at the most acceptable one. Turkmenistan, on the basis of certain units of the armed forces of the former USSR, is creating its own national armed forces with a joint command in Ashkhabad and Moscow.

On 9 June Pavel Grachev intends to present the protocol of the talks to Russian President Boris Yeltsin. In the event of his approval, experts will begin to prepare materials for a meeting between the presidents of Russia and Turkmenistan. It is expected that it will culminate in the signing of a treaty of friendship and cooperation, of which the agreement on military questions will be an integral part.

Niyazov To Consult on Karakum Troops Status

PM0206144192 Moscow PRAVDA in Russian 2 Jun 92 p 2

[Mikhail Volkov report under general heading "Another Day Gone. What's New?"]

[Text] President S. Niyazov has decided to consult with the top command personnel of the troop units stationed in the Karakum Desert about the status of troops on Turkmenistan territory. S. Niyazov considers it expedient to give the army formations the status of joint troops of Russia and Turkmenistan within the framework of the treaty between the two countries which he proposes signing with B. Yeltsin in Moscow in early June. The troops should be staffed from citizens of Russia and Turkmenistan, and unified command should be exercised out by a commander in chief appointed by the two states' presidents.

Uzbekistan

EBRD Informs President of Country's Membership

LD0306110392 Moscow ITAR-TASS in English 1017 GMT 3 Jun 92

[By UZA-TASS correspondent Irina Grebenyuk]

[Text] Tashkent, June 3 TASS—Uzbekistan has been admitted to the European Bank for Reconstruction and Development (EBRD). Uzbek President Islam Karimov was informed about it by a telegram received from EBRD President Jacques Attali.

He also informed Karimov that officials of the bank planned to visit his republic shortly to draw up an EBRD strategy vis-a-vis Uzbekistan and to discuss various projects, particularly related to the oil and gas industry, gold mining, cotton growing, tourism, banking, and also to see how the republic is advancing along the road of democratic reforms.

Fergana Democrats Hold Meeting, Note Aims

MK0706184092 Moscow NEZAVISIMAYA GAZETA in Russian 6 Jun 92 p 3

[NEGA column report: "Uzbekistan"]

[Text] The forum of Fergana Valley democratic forces has held its first session in Andizhan.

Representatives of the "Birlik" people's movement, the Islamic Revival Party, "Erk," and "Adolat" met to formulate a common strategy to campaign for democratic transformations in the republic.

According to the adopted documents, the democrats of Fergana Valley intend to seek the total abrogation of the law banning demonstrations and rallies and also to ask for the early dissolution of the Uzbek Supreme Soviet.

The meeting of Fergana Valley democrats also resolved to try to liberate the "Adolat" party activists arrested in Namangan.

Refusal To Register Tajik Association Stressed

OW0806213092 Moscow INTERFAX in English 1701 GMT 8 Jun 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin and edited by Boris Grishchenko; from "Presidential Bulletin" No. 89—transmitted via KYODO]

[Text] Sobis Saydov, head of the President's international relations department, commented on the statement made by the chairman of the Tank Cultural Center Ruzmat Abdukadyrov (the town of Chirchik, Tashkent region) following the government's refusal to register the Tajik Association.

Answering the question of the Interfax correspondent, Mr Saydov clarified the government's official position, emphasizing that "the republic is doing everything possible to meet the needs of the Tajiks living in Uzbekistan". In his words, the Association cannot be registered since its organizers are acting in defiance of the republican legislation. Judging by the draft charter of the Association, he said, its organizers are setting up a new political organization rather than a cultural union. This organization, in the words of President Karimov's spokesmant poses a threat to a political stability in the republic with the consideration of the situation shaping up in Tajikistan. IF [INTERFAX] note: In his statement, Mr Abukadyrov warns that "the reluctance of the Uzbek leadership to count with the problems of one-and-a-half-million-strong Tajik community residing on the territory of Uzbekistan may lead to undesirable consequences". The statement draws the Uzbek leaders' attention to the fact that the Uzbek authorities, Mr Abukadyrov alleges, are deliberately preventing the organizing committee from staging a constituent congress of the Tajik Association whereas it has no intentions "to

undertake any provocative steps with respect to Uzbekistan". The Association has outlined as its objective the solution of issues which have to do specifically with Tajik culture and education, Mr Abukadyrov asserted referring to the wording of the draft charter.

Farmers Exempt From VAT Beginning 1 Jun

LD3105103192 Moscow Mayak Radio Network in Russian 1300 GMT 29 May 92

[Text] By a decree of the president of Uzbekistan, agricultural enterprises in the republic will be relieved of paying Value Added Tax beginning 1 June. The farms are being asked to use the additional funds obtained from this to increase wages.

Statistics on Two Oil Centers Revealed

LD0806081992 Tashkent Radio Tashkent Network in Russian 0600 GMT 6 Jun 92

[Summary] Since the beginning of 1992, 238,000 tonnes of oil has been extracted from the wells of the Karshi oil producing directorate in Kashkadarya Oblast. The Urtabulok collective has extracted 145,000 tonnes of oil. From the 72 wells in Urtabulok in Bukhora Oblast, about 900 tonnes of oil is extracted daily and directed to the Fergana oil refinery.

Armenia

Further on Ter-Petrosyan, Shevardnadze Meeting

LD0506215592 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2000 GMT 5 Jun 92

[From the "Novosti" newscast]

[Text] A third party might still manage to halt the Armenia-Azerbaijan conflict. And that third party might be Georgia. Observers believe that this was one of the main themes of talks between Georgian State Council President Shevardnadze and Armenian President Ter-Petrosyan in Stepanavan.

[Gongadze, report over video] During the talks, which lasted three hours, the sides agreed to draft a treaty of friendship and cooperation and hold regular summits between representatives of their parliaments, governments, ministries, and other government departments. Plans to restore normal use of power lines and highways were also aired. It was decided to establish diplomatic relations between Armenia and Georgia in the near future and to exchange permanent missions in each other's capital. Also examined was the situation caused in Georgia and Armenia by the halting of gas supplies from the north.

[Begin Shevardnadze recording] I would like once again to appeal to the leaders in Russia upon whom a solution to this issue depends. Because for several days now Armenia and Georgia have been experiencing industrial shutdown; the people are suffering, families, children, the old, and so forth. I don't think that this is in the interests of our friendship and relationship with Russia and other states. [end recording]

[Gongadze] The sides voiced their willingness to hold a quadripartite summit, with Armenia, Georgia, Russia, and North Ossetia taking part. There was a serious discussion of the situation in Nagorno-Karabakh and Tskhinvali Rayon.

Joint Statement Issued

LD0806150892 Moscow Programma Radio Odin Network in Russian 1100 GMT 8 Jun 92

[Text] A joint press statement was issued following the meeting in Armenia between Levon Ter-Petrosyan and Eduard Shevardnadze. The statement points out: The heads of the two states have spoken in favor of increasing the number of participants in permanent summit-level meetings, meaning that the operation of the consulation procedures should be expanded to the whole of the region.

The statement confirms the adherence to the principles whereby all questions should be settled exclusively by political means, a dialogue should be pursued in the interests of peace, stability, and cooperation, and effective collective security mechanisms should be set up.

Ter-Petrosyan and Shevardnadze also reviewed the situation in Nagorno-Karabakh and Tskhinvali Rayon and expressed their readiness to hold a quadripartiate meeting involving Armenia, Georgia, Russia, and North Ossetia in connection with the suspension of gas supplies from the north. The Armenian and Georgian foreign ministers have been instructed to sign as soon as possible the documents on establishing diplomatic relations. The plans were also approved for joint actions to restore energy carriers and transportation mainlines and ensure their normal use.

Ter-Petrosyan Interviewed on Karabakh Issue

LD0906141192 Moscow ITAR-TASS in English 1003 GMT 9 Jun 92

[By ITAR-TASS correspondent Sergey Kuznetsov]

[Text] New York June 9 TASS—A solution to the Nagorno-Karabakh issue "depends on how rapid international mediation will be," President Levon Ter-Petrosyan of Armenia said in an exclusive interview published in the U.S. newspaper CHRISTIAN SCIENCE MONITOR on Monday [8 June].

The occupation of the overland corridor between Armenia and Nagorno-Karabakh by Armenian armed formations is "a two-edged sword", he observed.

"On the one hand, it makes it more difficult to solve the problem because it just deepens the confrontation between Karabakh and Azerbaijan," Mr. Ter-Petrosyan said. "But on the other hand, a definite change has been created to bring a solution to the Karabakh issue because the international community starts to take the issue more seriously than before. The solution to the problem depends on how rapid international mediation will be."

"We officially said we have no territorial claims to the corridor that links Armenia and Karabakh," President Ter-Petrosyan said. "but without this route, Karabakh would be subject to obliteration. If the world community and peacekeeping forces can guarantee the functioning of this route, Karabakh would relinquish its control over it."

The president of Armenia said that at the initial stage of peace talks Yerevan and Baku should refrain from discussing a status of Karabakh which had unilaterally proclaimed its independence.

To begin with, all negotiators should cease hostilities and create an international peacekeeping force. Following that, it will be easier for the Armenians and Azerbaijanis to agree to a compromise, Ter-Petrosyan emphasised.

Azerbaijani Forces Along Nagorno-Karabakh Border

LD0906100292 Moscow Radio Rossii Network in Russian 0900 GMT 9 Jun 92

[Text] The Azerbaijani army is massing large forces in Kubatlinskiy, Terterskiy, and Agdamskiy rayons and a number of other rayons of Azerbaijan bordering on

Nagorno-Karabakh. This is reported by the RIKA agency, citing reliable sources.

The Azerbaijani units' weaponry includes armored equipment and heavy artillery. Observers believe that the concentration of troops near the Nagorno-Karabakh borders is evidence that military actions in the region are imminent. Their main target will be the Lachin corridor which has been opened from Nagorno-Karabakh into Armenia, and also Shusha, which was occupied by Armenian detachments on 8 May.

In Stepanakert it is expected that an attack will begin today, the second day after the presidential elections in Azerbaijan, where the new authorities are in need of military successes.

Fighting Reported

LD0806224692 Moscow ITAR-TASS World Service in Russian 1620 GMT 8 Jun 92

[Text] Moscow, 8 Jun (ITAR-TASS)—The shelling of Nagorno-Karabakh continues.

An ARMENPRESS correspondent reports from Yerevan that, according to available information, during the night of 7 June alone about 100 missile and artillery salvoes were fired on the regional center of Mardakert. One person was killed and others were injured. There was considerable damage to buildings.

During the whole of the night and the morning of 8 June, the village of Voskepar in Armenia's Idzhevan Rayon was subjected to shelling from artillery emplacements and rocket launchers. Some people were injured. Small-arms firing on the village of Yereskhavan continues in Ararat Rayon from the direction of the Nakhichevan Autonomous Republic. The Armenian side is showing restraint and is not answering fire with fire.

Meanwhile, life in Stepanakert, the Nagorno-Karabakh capital, and surrounding villages is gradually returning to normal; 24 of the 64 electricity substations in the town which were destroyed have been rebuilt. More than one-third of the town's consumers are already receiving electricity supplies.

An AZERINFORM correspondent reports from Baku that it was only after retaliatory fire by Azerbaijani self-defense forces that there was a halt to the shelling of the town of Ter-Ter and neighboring Azerbaijani villages from the direction of areas in the republic's Agderinskiy Rayon in the mountainous part of Karabakh, which is populated by Armenians.

An AZERINFORM correspondent was told at the internal affairs directorate for the Karabakh zone, that as a result of the shelling, which went on almost throughout the previous night and involved the use of "Grad" installations and artillery, two people were killed and five injured, and about 20 houses were destroyed.

Chemical Weapons Use Noted

OW0606164092 Moscow INTERFAX in English 1546 GMT 6 Jun 92

[Transmitted via KYODO]

[Text] The Karabakh news agency (KNA) said capsules with Cianide-005 were discovered among fragments of missiles launched from Azeri bases in the Agdam district on the village of Mokhratag in the Mardakert district of Nagorno-Karabakh. A group of experts visited the region.

Refugees Head for 'Liberated Settlements'

NC0506164492 Yerevan Armenia's Radio First Program Network in Armenian 1730 GMT 3 Jun 92

[Report by Lida Gazaryan from Yerevan; date not given—recorded]

[Excerpt] [Gazaryan] Yerevan city Soviet Executive Committee has undertaken the patriotic work of restoring and resettling all the settlements in Shushinskiy Rayon. They have already taken measures to implement this plan.

Some 20 families, 50 people, from the Mashtots District of Yerevan left today for permanent residence in the liberated settlements in Shushinskiy Rayon. They are mostly former residents of Nagorno-Karabakh, forcibly evicted from Baku, Shusha, and other regions over the past few years. They will again put down roots in their ancestors' land and revive the fatherland's settlements.

The first convoy of cars left Yerevan at noon today for Nagorno-Karabakh. Before it left, I spoke with Khachik Vardanyan, Yerevan city Soviet Executive Committee chairman.

Mr. Vardanyan, the city Soviet undertook this initiative and I would like to know what preparatory work you have done to prepare the ground for resettlement.

[Vardanyan] A week ago Yerevan municipality workers visited the region and Shusha city, concluding an agreement with Shusha municipality on (?resettling) the liberated settlements after the latest developments. There are nearly 42 settlements in Shushinskiy Rayon, some of which the barbaric neighbors have destroyed and turned into heaps of ash. We have undertaken to restore and resettle them. They will be resettled by those Nagorno-Karabakh people who were given temporary refuge in Yerevan and in other settlements in Armenia two and three years ago. [passage omitted]

Security Zones Proposed for Nakhichevan Area

LD0606164892 Moscow ITAR-TASS in English 1508 GMT 6 Jun 92

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan June 6 TASS—Yerevan suggested to create a belt of trust along the border between Armenia and

Nakhichevan (an autonomous republic within Azerbaijan), enclosing a demilitarized zone and a security zone.

Drafts of long-term cooperation and goodneighbourliness treaty and agreements on measures to ensure security on the borders and the creation of a mutual trust regime on the border strip were handed over on Friday [5 June] on the border of the two republics to the Vice-Chairman of the Grand Majlis of Nakhichevan A. Safarov.

The demilitarized zone will be a two-kilometre strip on both sides of the border, in which it will be forbidden to position any armed formation and military hardware. The demilitarized zone will be followed by the security zone, in which deployment of armed formations and military hardware will be forbidden as well, with the exception of militia representatives, border and customs services armed only with pistols and sub-machine-guns. It is suggested that these agreements should be observed by representatives of international organizations and some other states.

The present initiative ensues from the recent declaration made by Armenian President Levon Ter-Petrosyan regarding his readiness to conclude a treaty with Nakhichevan and make the Armenian-Nakhichevan border a zone of peace and security, Deputy Foreign Minister of Armenia, Georgiy Kazinyan announced today at a press conference in Yerevan.

Semyon Bagdasaryan, a permanent member of the Armenian Supreme Soviet's External Relations Committee, expressed wish for Iran to become an observer on the border between Armenia and Nakhichevan, in favour of which, according to him, the Nakhichevan side has also spoken.

Essential Goods, Services Prices Rise 1 Jun

PM0806125792 Moscow Russian Television Network in Russian 1900 GMT 2 Jun 92

[From the "Vesti" newscast: Video report by A. Abramyan and R. Atayan, from Yerevan]

[Text] [Abramyan over video] As of 1 June new prices for essential goods and services have been introduced in Armenia. Prices of bread and salt have doubled. The fare on public transport is now 1 ruble. True, there are concessions for schoolchildren and students. The waiting lines for dairy products have dwindled. Not everyone can pay 27 rubles for a liter of milk.

The explanation given for these forced measures is the development of market relations within the CIS, and above all the increased fuel prices.

Armenia was prepared for this development of events. State employees' wages are going up between 65 and 80 percent. Income tax rates have been changed. Food received as part of the humanitarian aid will be distributed free of charge. Other social protection measures are also being elaborated.

The only thing that could not have been foreseen is the closure of the pipeline as a result of the Georgian-Ossetian conflict. For more than a week not a single cubic meter of gas has reached the republic. In order to save the already depleted stocks of heating oil, there are 12-hour power outages every day. Many enterprises in Armenia depend on electricity, and that includes TV studios. [video shows empty shelves, street scenes, waiting lines, pipeline installations]

Protests Reported

PM0806125592 Moscow IZVESTIYA in Russian 4 Jun 92 Morning Edition p 2

[Sergey Bablumyan report: "Protest Action in Disaster Zone"]

[Text] Yerevan—Protest actions prompted by the severe deterioration in living conditions and the population's dissatisfaction with increases in the price of bread, milk, and other food products are continuing in the city of Gyumri (formerly Leninakan).

Demonstrators blocked traffic in the city center, barricaded certain streets, and blocked the railway line for several hours, as a consequence of which communications with Yerevan and other industrial centers of the republic were disrupted.

The Armenian Ministry of Internal Affairs has roundly condemned these actions, calling them a "stab in the back" given the gas and transport blockade that is continuing from outside.

Government Prepares Draft Law on Amnesty

OW0806214692 Moscow INTERFAX in English 1701 GMT 8 Jun 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin and edited by Boris Grishchenko; from "Presidential Bulletin" No. 89—transmitted via KYODO]

[Text] On President Ter-Petrosyan's request, the Armenian Ministry of Internal Affairs has prepared a draft law on amnesty, maintained Vano Siradegyan, head of the Republic's MIA [Ministry of Internal Affairs] in an interview to an Interfax correspondent. In his words, this document has been addressed in the Ministry of Justice, the Procurator's office and the Supreme Court. In the next few days, the President will ask the Parliament to approve the proposed bill.

Mr Siradegyan, however, could not specify the exact number of people to be released by the provisions of this document.

New Coins Minted in Germany

LD0806080792 Moscow ITAR-TASS World Service in Russian 1052 GMT 6 Jun 92

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan, 6 Jun—Armenian coins are being minted in Germany and preparatory work for the introduction of an Armenian currency is coming to an end. This was revealed yesterday by Gagik Arutyunyan, vice president and head of the government of Armenia.

According to him, before the conclusion of the minting Armenia has to pay a 4-million dollar deposit, which is 20 percent of the total cost of the order.

As is known, in accordance with a decision of the Armenian Supreme Soviet, the Armenian currency will be called a "dram," and it will be divided into 100 "lumas."

Azerbaijan

Advisor Outlines Popular Front's Policies

OW0806135592 Moscow INTERFAX in English 1341 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] If the Popular Front [PFA] comes to power, Azerbaijan will withdraw from the CIS, and its cultural and economic relations with the former Union republics will be based on mutual advantage and on the principles of inviolability of the borders and non-interference in each other's affairs, Fazil Mustafayev, adviser to the PFA's chairman, told IF [INTERFAX]. He said that Azerbaijan's relations with Russia and Armenia will be based on the same principles. Mustafayev believes that Azerbaijan may choose to broaden its contacts with the former Union republics and conclude bilateral relations with them.

In the foreign policy arena, Azerbaijan will make further steps to return to the world community of independent states. It will strengthen relations with the states that will back these steps and support Azerbaijan in its "efforts to rebuff Armenian aggression."

As to the Karabakh crisis, it may only be settled on the basis of the UN charter and the CSCE [Conference on Security and Cooperation in Europe] principles, said Mustafayev.

The PFA will be oriented to an efficient economy based on private property and market relations. Azerbaijan will also join the world market. In doing so, it will reckon on assistance from Turkey, the U.S., Britain and other countries.

Vows To Quit CIS

OW0906115092 Moscow INTERFAX in English 1114 GMT 9 Jun 92

[Report by Igor Porshnev and others from "Diplomatic Panorama"; transmitted via KYODO]

[Text] If the Popular Front of Azerbaijan comes to power, Azerbaijan will quit the CIS, said Fazil Mustafayev, an aid of the Popular Front's chairman.

He told DP's [Diplomatic Panorama] Baku correspondent that Azerbaijan intends to develop relations with the former Union republics, including Russia and Armenia, on the basis of mutual advantage, inviolability of the borders and non-interference in each other's internal affairs.

Speaking about relations with the rest of the countries, Mustafayev said that Azerbaijan will make further steps to rejoin the world community. "Azerbaijan will broaden contacts with the states which will welcome such contacts and which will back Azerbaijan's efforts to rebuff Armenian aggression," he said.

In his opinion the Karabakh crisis can only be settled on the basis of the UN charter and of the CSCE [Conference on Security and Cooperation in Europe] principles.

Further Reportage on Presidential Elections

OW0806214492 Moscow INTERFAX in English 1701 GMT 8 Jun 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin and edited by Boris Grishchenko; from "Presidential Bulletin" No. 89—transmitted via KYODO]

[Text] According to early returns from June 7 presidential elections Popular Front leader Ebulfez Elchibey has two occasions to celebrate in one day: last Sunday which was his birthday he was elected President of Azerbaijan. IF [INTERFAX] note: Speaking on the eve of the election in Baku Elchibey said that he saw future Azerbaijan as a state conducting a policy of armed neutrality and committed to the idea of abandoning the production, deployment and use of nuclear, chemical and biological weapons. He said that in case he was elected President, in foreign policy he would set his eyes on Turkey, the United States and Britain. Elchibey said that Azerbaijan was responsible for its share of the foreign debt of the former USSR, just as it was entitled to its share of the USSR's assets.

By the time this edition of the "Presidential Bulletin" is coming out the votes cast in the presidential elections have been counted in 90% of the constituencies. According to the early returns more than 60 percent of those who went to the polls, voted for Elchibey. Experts are certain that the early returns reflect the general picture rather accurately. Although official returns are expected to be made public at the end of this week

(under the constitution that must be done within 10 days), Elchibey has already been receiving congratulations from his supporters. IF note: E. Elchibey (Aliyev) was born in 1938 in the Nakhichevan autonomous republic. A graduate of the Baku state university; expert on oriental affairs; In 1963-1964 worked as a translator in Egypt. Later he became a college teacher and conducted active political work among his students and colleagues. In 1975 he was arrested by the KGB and convicted of "anti-Soviet activity". After his release he worked at the institute of manuscripts at the Azeri Academy of Sciences starting from 1977. At the constituent conference of the republican Popular Front Elchibey was elected its chairman. In 1991 the congress of the Popular Front re-elected him for another term. On April 9 1992 the Majlis of the Popular Front nominated him candidate for the President of Azerbaijan; married with a son and daughter. Elchibey says his knowledge of Russian is poor. However, he is certain that this will not make him a less efficient head of state.

Elchibey Interviewed

TA0806182492 Ankara TRT Television Network in Turkish 1700 GMT 8 Jun 92

[Text] Ebulfez Elchibey, leader of the Popular Front of Azerbaijan, is leading in the presidential elections held there yesterday.

Meanwhile, six towns occupied by the Armenians on the Lachin front have been taken back.

Mehmet Emin Gul from the Turkish Radio and Television team in Baku interviewed Elchibey:

[Begin recording] [Gul] Mr. Elchibey, the results so far show that you have been elected president with around 60 percent of the vote. How do you view this result and the elections?

[Elchibey, in Azeri] I have not yet received the official reports. They say about 63 percent. Anyway, it is higher than 60 percent. I see it as higher, because certain circles tried to divide the vote. They wanted to prevent anyone from getting more than 50 percent of the vote, so that a second round of voting would be held. Then there would be two candidates, and those circles would think of what to do next. In other words, there were circles who tried to disrupt the elections, who tried to make the other side win, who tried to divide the vote given to us. They failed.

[Gul] Is the vote you received enough for you to ensure stability in Azerbaijan?

[Elchibey, in Azeri] It is enough; of course it is enough. [end recording]

Commission Reports Results

LD0806223492 Moscow ITAR-TASS World Service in Russian 1644 GMT 8 Jun 92

[By AZERINFORM correspondent Sabir Mirzoyev for TASS]

[Text] Baku, 8 Jun—The results of the presidential election held in Azerbaijan on Sunday, 7 June, will be summed up, in keeping with the law, within 10 days of its being held, but even now it is known that 74 percent of the overall number of voters took part in the election. This was reported at a news conference today by Dzhafar Beliyev, chairman of the Central Electoral Commission for the election for president of Azerbaijan.

The results of the voting for eight rayons in Azerbaijan, as officially obtained by the Central Electoral Commission, were reported. Of the voters in these rayons, 55.1 percent voted for Ebulfez Elchibey, the candidate for the People's Front of Azerbaijan, and 29.2 percent preferred Nizami Suleymanov, leader of the Democratic Union of the Azerbaijan Intelligentsia. The remaining 15 percent was distributed among the three other candidates. The Central Electoral Commission has not yet received the official data for the remaining rayons in the Republic.

Observers from Russia and Turkey who participated in the news conference noted on the whole the democratic conditions in which the election was held, but at the same time pointed out a number of shortcomings that they noticed in the voting procedures, assessing them as "insignificant and not able to influence the final result of the election."

Candidate Claims Rigging

OW0806225092 Moscow INTERFAX in English 1913 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] One of the candidates for the President of Azerbaijan, Nizami Suleymanov, has told a news conference in Baku that the "election returns are being rigged by the central electoral commission". He claimed victory in the June 7 presidential elections.

Earlier, the central electoral commission said that Suleymanov collected 20-25% of the votes. However, Suleymanov himself told his news conference that he had gathered more than 50% of the votes and placed ahead of Popular Front leader Elchibey.

Suleymanov's news conference was attended by officials from the Iranian embassy to Baku. They expressed Teheran's "moral support" for Suleymanov.

Suleymanov ran for the President from the democratic union of Azeri intellectuals.

Letter Sent to UN on Nagorno-Karabakh, Armenia

NC0906102792 Baku Radio Baku Network in Azeri 1700 GMT 8 Jun 92

[Text] A letter from Gasan Gasanov, Azerbaijan's permanent representative to the United Nations, to the chairman of the UN Security Council has been distributed in the UN Headquarters as an official UN Security Council document. The letter outlined the Azerbaijan Government's position on Nagorno-Karabakh:

Intensifying Armenian combat operations in Azerbaijan threaten our republic's sovereignty and territorial integrity. The complex situation in this region has caused deep concern among several members of the United Nations and international organizations, who say Armenia's actions violate a sovereign country's territorial integrity. In line with the UN Charter, these actions must be regarded as aggression.

The UN delegation which visited Azerbaijan to study the facts firsthand has disclosed that the tragic situation will continue if the UN fails to admit that Armenia is pursuing a policy of aggression against Azerbaijan. Armenia is trying to reach its political targets. That republic's armed forces have used chemical arms. The analysis of the blood of several Azerbaijanis, recently wounded in the clashes in the Nakhichevan Autonomous Republic, has revealed that they were affected by toxic chemical substances such as [word indistinct], cyanide, and phosgene.

Russian 4th Army Officers Transfer Service

PM0906090892 Moscow IZVESTIYA in Russian 8 Jun 92 Morning Edition p 1

[Report from Baku's TURAN, from "Our Correspondents and News Agencies" column: "Russian Officers Transfer to Service in Azerbaijan's Army"]

[Text] From 1 June this year 310 officers of Russian nationality, from among the servicemen of the 4th Army, have transferred to service in the national army of Azerbaijan.

As a senior staffer of the republic Defense Ministry stated, the Russian officers' desire to remain in Azerbaijan is due to the fact that the republic has recently adopted some 10 legislative acts guaranteeing protection of the social and other rights of servicemen and their families.

Decree Reorganizes Militia Into Police Group

LD0906113492 Moscow ITAR-TASS World Service in Russian 0850 GMT 9 Jun 92

[By AZERINFORM-TASS correspondent]

[Text] Baku, 9 Jun—The militia in Azerbaijan is to be reorganized into the police. According to a presidential decree published in the Baku newspapers this morning, the shake up of the Interior Ministry bodies is intended to bring about organizational and operational improvements. The decree is dated 6 June and stipulates that every year that date will be "Azerbaijani Police Day."

Azerbaijan Joins Islamic Development Bank

LD0806064692 Moscow ITAR-TASS World Service in Russian 1005 GMT 6 Jun 92

[By AZERINFORM-TASS correspondent]

[Excerpts] Baku, June 6—Azerbaijan has become the first of the Muslim ex-Soviet republics to join the Islamic Development Bank (IDB). Head of parliament Isa Gambarov, also the republic's acting president, put his signature to the IDB statutes, which have been ratified by the Milli Majlis. He thus affirmed Azerbaijan's commitment to the Bank's guiding principles as its 45th full member. [passage omitted]

AZERINFORM has learned that the Bank plans to implement a number of projects in agriculture, highway construction and training courses on market economics. It also intends to provide food aid for free. Azerbaijan has been given easy terms on its membership investment: One-third will be paid in installments over 10 years, and the rest when joint projects start paying their way.

Defense Ministry Center Reports Fighting

NC0806192892 Baku Radio Baku Network in Azeri 1700 GMT 8 Jun 92

[Text] The Azerbaijan Defense Ministry's Analytical Information Center disclosed the following information on 8 June:

The situation in our republic's border areas remains tense. The Sadarak Rayon in the Nakhichevan Autonomous Republic, Khavysh and Dzhagadur towns in Sharur Rayon, Seidlyar and Kuyuderekheshtab towns in Zangelanskiy Rayon, Dolanlar town in Dzhebrailskiy Rayon, Fizuli city, Shilli town in Agdamskiy Rayon, Dzhemilli town in Terterskiy Rayon, and Ashagy Askipara, Kyzylgadzhyly, Kuschu Ayrum, Ferakhly, Dzhafarli, Bala Dzhafarli, and Abbasbeyli towns in Kazakhskiy Rayon came under Armenian fire last night. The enemy fired on Suleymanly town in Dzhebrailskiy Rayon and Sadarak town in Fizulinskiy Rayon intermittently beginning at 0100 on 8 June. The fire was returned in all directions and several Armenian positions were silenced.

The heroic fighters of the national army continue to expel the enemy from the occupied towns in Lachinskiy Rayon. Ashagy Dzhidzhimli was liberated from the enemy on 7 June. Nurettin Isayev, Mustafa Khashimov, Sabir Khashimov, Veli Dzhabbarov, Etibar Kuliyev, Alasker Zeynalov, and other heroic soldiers distinguished themselves during the liberation of the town.

The enemy was forced to retreat after sustaining casualties. The national army suffered no casualties.

More towns are liberated in Lachinskiy Rayon every day. Refugees from these towns, however, are reluctant to return to their homes. This has made our fighters, who defend the towns, feel uneasy. We draw the refugees' attention to the wish of a group of fighters defending Saf'yan: Saf'yan has been liberated from the enemy. Life has returned to normal here; the residents must return from the various parts of the republic. We will defend them. The residents of Saf'yan do not have the right to be refugees anymore, nor do they have the right to increase the number of homeless. This will only worsen the situation in our republic.

We have received additional good news from Lachinskiy Rayon today. Shamkend [word indistinct] has been liberated from the enemy. (Nardali), Narzan, [name indistinct], Bozdag, Kubat, Chorman, and Kohne Chorman towns are now held by our troops. They are waiting for the residents to return. The enemy has also been evicted from Borchly and Kuftan towns. Esteemed residents of Lachinskiy Rayon, many of you are waiting impatiently in various parts of Azerbaijan for your homes to be liberated. The liberated areas cannot be left deserted. It is time to return to your homes. Our fighters will guarantee your security; return to your homes.

The fight to liberate the towns that were lost in Lachinskiy Rayon continues. The command headquarters of the Azerbaijani Armed Forces has mobilized all its resources to evict the enemy from our territory. It has increased the combat readiness of our troops along the entire front. We shall achieve victory. We are pursuing a just cause. We have no need for foreign lands; we are fighting for our own lands.

Further on Shelling

LD0806143192 Moscow Radio Rossii Network in Russian 1200 GMT 8 Jun 92

[Text] According to information obtained by an AZERINFORM correspondent at the republican interior affairs directorate for the Nagorno-Karabakh zone, rocket and artillery bombardment of the Azerbaijani town of Ter-Ter and settlements adjacent to it from the Armenian populated area of Leninavan continued all night. The shelling ceased only after the Azerbaijani self-defense forces returned fire.

The PRO-ARMENIA News Agency reports that the Armenian side did not open fire. According to the Nagorno-Karabakh Ministry of Internal Affairs, a considerable concentration of artillery and armored vehicles has been observed in the border areas of two rayons adjacent to Nagorno-Karabakh. The Nagorno-Karabakh news agency reports that the session of the Nagorno-Karabakh Supreme Soviet has been suspended due to the deterioration of the situation in the conflict zone.

Aliyev Notes Turkey's 'Right To Intervene'

NC0906105892 Istanbul TURKIYE in Turkish 4 Jun 92 p 14

[Report on an interview with Geydar Aliyev, chairman of Nakhichevan Autonomous Republic Supreme Majlis, by Mahmut Bulut in Ankara; date not given]

[Excerpts] Ankara—Geydar Aliyev, Nakhichevan Autonomous Republic Supreme Majlis chairman, said he did not ask for troops from Turkey to counter the Armenian attacks, but, he added, he did seek Turkish assistance. Asked "What sort of assistance?," he replied: "All sorts." Aliyev added: "Bread is what we want most because we have only two days of flour left in the depots." He also stated that Turkey has the right to intervene in Nakhichevan.

Aliyev, who held contacts in Ankara before leaving for the economic conference in Izmir, replied to our questions after holding some high-level talks. [passage omitted]

Turkish Right of Intervention

Asked "Does Turkey have the right to intervene in Nakhichevan?," Turkey says yes, Russia says no. "What is your own assessment?," Aliyev replied: "Turkey has the right to intervene. It is a signatory of the Moscow and Kars Treaties, which set up Nakhichevan, and if Nakhichevan's status changes, Turkey will have a voice."

We Will Not Unite With Turkey

Asked "Are you considering uniting with Turkey in view of the Armenian attacks? Would you consider this if the attacks intensify?," Aliyev said: "The Nakhichevan parliament made its decision soon after 20 January 1990 and later repealed it. We are not considering this right now, but if the Armenian attacks intensify, Turkey will help us in a far better way. We are not thinking of uniting with Turkey, but are awaiting Turkey's help." Aliyev added that if the Armenian attacks intensify, Nakhichevan will be protected in a far better way and time will tell.

We Are Not Considering Independence

Asked "Did you ever think of breaking away from Azerbaijan and becoming an independent state?," Aliyev replied: "No. We do not entertain such a thought. We are a component part of Azerbaijan and we do not want to break away from it." [passage omitted]

Arms Threaten To Flood Nakhichevan From Turkey

PM0806143992 Moscow IZVESTIYA in Russian 5 Jun 92 Morning Edition p 2

[Aleksandra Lugovskaya report: "Nakhichevan's Fraternization with Turkey Could Mean Spontaneous Spread of Weapons in Region"]

[Text] This rapid political rapprochement is leaving the authorities on both sides of the Araks River facing the question of how in practice to implement border controls. The topicality of this issue is particularly obvious following the 28 May opening of on a small section of the Azerbaijan-Turkey border of a bridge directly linking the two sovereign states.

The decision—rapidly reached at a high, intergovernmental, level—to allow free movement of Turkish and Azerbaijani citizens did not filter down to "border areas." The autonomous republic authorities only informed the Nakhichevan Border Detachment command about this at the last minute. Nor did the Turkish border guards have time to set up checkpoints.

Hundreds of vehicles and thousands of people rushed to establish their own friendly contacts after a 70-year "taboo." Such a boom is marked in any country by massive border crossings.

Nonetheless, the Turkish border service was quite restrained about the authorities' sweeping gesture—order is order. And the letter of the law should be familiar to any Turk—violation of border controls incurs a fine, a prison sentence, and resettlement to "the hinterland." Therefore, the Turkish border guards and the security service and police who came to help them out were not backward about explaining the legal position to Azerbaijanis not holding international passports. And the buttstocks of their weapons were even pressed into service, according to eyewitnesses.

Everything was far easier on the Azerbaijani side. State border security in the Nakhichevan Autonomous Republic is provided by a Russian border detachment which already has some sad experience acquired in 1990 during the mass crossing of the Soviet-Iranian border—when crowds of people destroyed border installations and smashed border posts... This time the border guards did not use any force.

Lieutenant Colonel P. Makarenko, chief of staff of the Nakhichevan Border Detachment, believes that the uncontrolled crossing of the border could result in massive imports of weapons that had accumulated in the Near East in the wake of the Gulf conflict. He also has information to the effect that mafia groupings of arms dealers are not being slow to exploit this favorable opportunity. As he put it, the local Nakhichevan authorities—both the autonomous republic's MVD [Ministry of Internal Affairs] and G. Aliyev himself—are currently taking measures to ensure that there is no repetition of a massive boom on the border.

The military-political talks between Azerbaijan and Russia are finally bringing some clarity to the ambiguous position of the Russian border guards (sovereign Baku intends to use its own forces to provide border and customs controls on the republic's borders) and to the situation of the 75th Motorized Rifle Division of CIS troops, which has been deployed in Nakhichevan since the war and is now under temporary Russian jurisdiction. From April through August last year it was its soldiers who were guarding posts on the administrative border between Nakhichevan and Armenia, and it was only in February this year that they left the settlement of Sadarak. Professional military men have been replaced at the high spots on the border by national army fighters, the local Special-Purpose Militia Detachment, and by armed People's Front formations.

The border conflict which emerged back in early May, and the continuing hostilities in the Sadarak region are making the already difficult position of the Russian border guards and military in this absolutely enclosed region even more complex.

"We want to know our precise status in Nakhichevan, V. Markelov, deputy commander of the 75th division, told us. "And whose borders should we be guarding here? Since late 1991 there have been attacks on our posts, soldiers have been killed, officers have started disappearing, and there have been increasingly frequent instances of hardware being seized. Weapons are a favorite lure. Today Ukrainians, Moldovans, Kazakhs, and Byelarusians left the division—virtually the only people to remain behind were the Russians. We are in an enclosed area, and the recent statements by P. Grachev and A. Rutskoy about the immediate withdrawal of hardware are unacceptable for this area. It is impossible. There can only be one solution here—handing over our hardware, camps, and property to the legitimate authorities."

While the military is waiting for a political solution, the simplification of the arrangements on Nakhichevan's borders with Iran, Turkey, and Armenia is to all intents and purposes making border controls "transparent" for movements of weapons, munitions, drugs....

Georgia

Further Reportage on Situation in Tskhinvali

Three Guardsmen Killed

AU0806144092 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 8 Jun 92

[Text] This information from Tskhinvali was supplied to us by the press center of the Republic of Georgia Ministry of Internal Affairs [passage indistinct]:

As we have informed you, on 6 June Ossetian militants attacked Georgian guardsmen on the Kheiti-Eredvi road. Two guardsmen were killed. Attacks by Ossetian militants have assumed a systematic character [passage indistinct].

On 7 June at 1800 [1400 GMT], there was yet another confrontation between guardsmen and Ossetian militants as a result of which one guardsman was killed and (?16) were wounded. [Words indistinct] guardmen were

fired upon from the direction of Tskhinvali [word indistinct] two guardsmen were wounded.

Interior Ministry Report

OW0806150492 Moscow INTERFAX in English 1408 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] The press center of the Georgian Interior Ministry reports that Ossetian militants' attacks on the Georgian villages in the region of Tskhinvali and on the Georgian national guards defending them have become systematic. On June 6 and 7, clashes between the conflicting parties were particularly fierce. One guard was killed and 14 wounded during shooting on Sunday [7 June]. The guards liberated from Ossetian militants the villages of Namisaantuani and Prisi, and the road-inspection post whence their positions were fired at.

Speaking on Georgian TV, Georgian Defence Minister Tengiz Kitovani said that the guards and the militia were in South Ossetia to defend Georgian villagers. Kitovani believes that the conflict in Samachablo (South Ossetia—IF [INTERFAX]) should be settled through talks.

Guerrilla Fighting Viewed

LD0806185792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1400 GMT 8 Jun 92

[From the "Novosti" newscast]

[Text] The victims of another raid by Ossetian guerrillas was the (?Tutarashvili) family from the village of Tamarasheni. A mother of five and her 15-year old son were abducted from their yard. After vicious and brutal torture they were shot at point-blank range, without even taking into account that this woman was an Ossetian named (?Tedey). Such raids by Ossetian armed formations have recently taken on a systematic nature.

National Guard forces located here to protect the villagers have also become the target by the Ossetian guerrillas. Yesterday's armed clash left one dead, 14 wounded Georgian guardsmen, two liberated villages, and Georgian control of a traffic control post on the outskirts of Tskhinvali. Forty submachine guns, a machine gun, and a mortar were seized from the Ossetian formations; five combat vehicles were destroyed. The main thing now is to force the guerrillas out and create the conditions for the return of Georgian and Ossetian refugees. We have been and we will be together as long as nobody prevents us.

Ossetian Delegations Meet 8 Jun

LD0806191292 Moscow Mayak Radio Network in Russian 1800 GMT 8 Jun 92

[Text] A joint sitting of the North and South Ossetian Supreme Soviet Presidiums took place today in Vladikavkaz. They examined the crisis situation which has developed in the Republic of South Ossetia and the North Ossetian Soviet Socialist Republic and priority measures for escaping from it. According to Galazov, chairman of the North Ossetian Soviet Socialist Republic Supreme Soviet, in spite of the measures being taken, the armed conflict in South Ossetia has become even more exacerbated. For this reason joint efforts are needed from Russia, Georgia, and North and South Ossetia in order to resolve the conflict immediately.

A resolution from the joint sitting says that representatives of a four-party group of observers should be determined within two days with the aim of establishing effective control in the region.

Troops, Equipment Continue To Arrive

LD0806212592 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2000 GMT 8 Jun 92

[Report by Oleg Doyev from the "Novosti" newscast]

[Text] The situation in South Ossetia has dramatically deteriorated. More than 2,000 missiles and shells have been launched on Tskhinvali over the past 24 hours. There have been 16 people killed and more than 40 wounded. According to South Ossetian intelligence, six tanks, 15 infantry fighting vehicles, 16 armored personnel carriers, five Alazan and Shilka missile installations, nine howitzers, and approximately 2,000 guardsmen have been gathered outside of Tshkinvali. Georgian troops and equipment continue to arrive.

The Presidiums of the North and South Ossetian Supreme Soviets held a joint emergency session this evening in Vladikavkaz. The participants in the session expressed their alarm over the threat of the physical annihilation of the South Ossetian population and put forward various proposals, up to and including the most radical options. In spite of the tragic nature of the situation, however, the majority of deputies believe that the bloody conflict should be resolved by peaceful and political means, through quadripartite talks involving Russia, Georgia, and South and North Ossetia. [video shows map of conflict area superimposed over scenes of countryside, troops taking cover, firing on town, ruins of buildings, and broken glass]

'Unsanctioned Operations' Reported

LD0806224492 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2000 GMT 8 Jun 92

[Report by Tatyana Mitkova from the "Novosti" newscast]

[Text] The press center of the Georgian Permanent Representation has reported the following information and I quote:

Unsanctioned operations leading to casualties have been carried out by both sides in the Tskhinvali region. The

State Council and Government of the Republic of Georgia are taking all measures to continue the process of peace talks which began earlier. Meanwhile, the situation is tense.

On 8 June the exchanges of fire continued. The most intense shelling was reserved for the Georgian villages of Eredvi, Tamarasheni, and Nikozi. The list of dead and wounded is being clarified.

Government Said To Lack Control

LD0906093992 Moscow ITAR-TASS World Service in Russian 0815 GMT 9 Jun 92

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz, 9 Jun—The leadership of the Republic of South Ossetia believes that the Georgian State Council is not in control of the situation in the zone of the Tskhinvali conflict and is not taking effective steps to put a stop to the banditry by armed Georgian groups, the ITAR-TASS correspondent was told by Oleg Teziyev, chairman of the South Ossetian Council of Ministers and commander of the republic's armed forces.

The region's situation has reached a critical level in recent days. The Georgian side is continuing massive bombardment of Tskhinvali and surrounding Ossetian villages using all kinds of weapons, and perfectly innocent people are dying. We have exact information that it is not disparate detachments of guerrillas that are taking part in combat action against South Ossetia but armed Georgian formations equipped with the latest weapons and armor, Oleg Teziyev emphasized.

Last night there was massive shelling of the housing areas of Tskhinvali from heavy machine guns, mortars, and howitzers. There has not yet been any opportunity to evacuate the casualties by helicopter because of the heavy shelling. Houses have been destroyed in the town and certain administrative buildings and essential services have been seriously damaged.

In North Ossetia, the results of the joint session of the presidiums of the Supreme Soviets of the North Ossetia and South Osetia held on 8 June are being widely discussed. The session's main outcome was the adoption of a joint resolution on an immediate meeting between leaders of North and South Ossetia and of Georgia with the aim of establishing an immediate cease-fire and setting up four-way talks with Russia taking part. The media in the North Ossetia today publicized a statement by Mussa Shanibov, president of the Conferederation of Mountain People of the Caucasus, about the tragic events in South Ossetia. If there is no change for the better in the near future, then volunteer detachments of the Caucasian Federation will be sent to the combat zone, he said.

'Intensive Shelling' 8-9 Jun

LD0906092792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0800 GMT 9 Jun 92

[From the "Novosti" newscast]

[Excerpt] According to a report from the Ministry of Internal Affairs of South Ossetia, the Georgian National Guard carried out intensive shelling of Tskhinvali from the hills overlooking the town using all their weapons and rocket systems throughout the night of 8-9 June. According to unofficial information, the Georgian side used the "Grad" system; 28 people were killed and 88 wounded. Units of the North Ossetian National Guard have arrived in Tskhinvali to help defend the town. [passage omitted]

Shevardnadze 'Lost Control' of Situation

OW0906100492 Moscow INTERFAX in English 0943 GMT 9 Jun 92

[Transmitted via KYODO]

[Text] On Tuesday [9 June], Chairman of the South Ossetian parliament Torez Kulumbegov sent telegrams to the heads of the world's parliaments and governments, informing them of the sharp deterioration of the situation in South Ossetia and of the contemplated assault of Tskhinvali by Georgian armed formations. In the morning of June 9, the shelling of the city which continued for 24 hours the day before, was resumed.

Kulumbegov reports that on June 8 there were 81 victims; 20 of them died, among them two ambulance drivers who were killed in sub-machine-gun fire. The city is badly ruined and bodies are still being recovered from the rubble.

According to well-informed sources in Vladikavkaz (North Ossetia), the participants in a joint session of the presidiums of the North and South Ossetian parliaments held in that city urged to begin talks without delay involving both of the Ossetian sides plus Georgia and Russia. The same sources report that on Tuesday, Chairman of the North Ossetian parliament Akhsarbek Galazov had a telephone conversation with Chairman of the Georgian State Council Eduard Shevardnadze who reportedly said that he lost control of the situation in South Ossetia.

Military Chiefs Criticized

LD0906115792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1100 GMT 9 Jun 92

[From the "Novosti" newscast]

[Text] The Georgian permanent mission in Moscow today reported that a session of the republic's State Council late in the evening on 8 June examined the

situation in the Tskhinvali area. Willful actions by Georgian military leaders there were found to be intolerable and contrary to the policies of the State Council. Shevardnadze, chairman of the State Council, has categorically demanded that officials carry out decisions adopted earlier.

Military Dialogue With Russia Continues at Poti

OW0806224492 Moscow INTERFAX in English 1913 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] The Russian-Georgian talks held in Poti Monday [8 June] focuses on the interaction between the local military and civilian authorities of Poti (Georgian city on the Black Sea coast of the Caucasus) on the one side and the command of the Black Sea Fleet's units stationed on the Georgian territory. Taking part in the talks was a delegation of the Georgian Defense Ministry, led by deputy minister Tomaz Tskhakaya and a delegation of the Black Sea Fleet from Sevastopol, led by first deputy commander of the fleet, Vice-Admiral Georgiy Burinov.

At the meeting which virtually continued the Sevastopol talks in late May, Georgiy Burinov was handed a copy of the agreement between the Russian Navy and the Georgian Defense Ministry, signed by Georgian Defense Minister Tengiz Kitovani. After it is signed by the commander of the Russian Navy, the agreement will become part of a military treaty to be concluded by Russia and Georgia in the near future.

Government Discusses Relations With Armenia

OW0806214092 Moscow INTERFAX in English 1701 GMT 8 Jun 92

[Report by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin and edited by Boris Grishchenko; from "Presidential Bulletin" No. 89—transmitted via KYODO]

[Text] Speaking at the Saturday [6 June] session of the republic's State Council, its Chairman Eduard Shevardnadze was highly appreciative of the results the talks between Georgia and Armenia have produced.

IF [INTERFAX] note: Participating in the meeting in Stepanavan were Armenia's President Levon Ter-Petrosyan, Premier and Vice President Gagik Arutiunyan and Georgia's Eduard Shevardnadze and acting head of government Tenghiz Sigua.

Eduard Shevardnadze underlined the businesslike and constructive nature of the meeting which was held on the initiative of Armenia's government. In the meantime, the State Council's chairman did not specify the contents of the agreements reached in regards of the republics' bilateral relations, remarking that "they have to do with a wide range of issues presenting mutual interest to both parties".

IF note: According to the experts belonging to Vice President Arutiunian's inner circle, the talks were focusing primarily on the options for the two republics to jointly overcome the continuing fuel and power supply crisis which equally affects the economic situation in both republics. In particular, the Armenian side proposed that its railroad specialists assist in restoring the damaged portion of the track in Georgia which is most essential for insuring uninterrupted fuel supply to Armenia.

Eduard Shevardnadze also remarked that in addition to the issues of "promoting friendship, good neighborhood and cooperation between Georgia and Armenia" the parties addressed the problems of regional and international cooperation and, the situation in the world, in Trans-Caucasus, and in the Black Sea region.

The session adopted a decision vesting the Presidium of the State Council with extraordinary powers for enforcing law and order in the republic and confirmed the resolution setting up a republican headquarters, with Eduard Shevardnadze as its chief of staff, for coordinating the activities of all of the republic's law enforcement agencies and armed formations.

The deputies addressed the issue of immediate disbandment of all the illegal armed formations and incorporation of all the national guard and "Mkhedrioni" units into a unified national army. This measure is expected to put an end to their unauthorized willful activities. The State Council resolved to transfer the personnel of all these units to barracks by June 15.

The session also addressed the decree on the status of forcibly displaced persons and adopted a resolution on rallies, meetings, demonstrations and other political manifestations. They also passed a decree envisaging measures of responsibility for violating this resolution. Specifically, the violators of the established procedures will be liable to a fine up to 500 rubles. In exclusive situations this decree provides for administrative custody for a term up to 15 days.

IF note: Listed on the agenda of the State Council's next sessions are a draft law on police and a temporary status of Georgia's Ministry of Internal Affairs.

NDP Wants Government Officials To Resign

LD0806124692 Moscow POSTFACTUM in English 1159 GMT 8 Jun 92

[From the "Politics" section]

[Text] Tbilisi—The leader of the National Democratic Party (NDP) of Georgia says the republic's assistant secretary of state and the defence minister should resign. The point was made by Georgiy Chanturia in his speech at the Congress of the National Democratic Party of Georgia on June 6-7. He did single out, however, the role played by Dzhaba Ioseliani and Tengiz Kitovani in toppling the Gamsakhurdia regime and expressed his gratitude. The

statement was welcomed by most of the delegates and guests, State Secretary Eduard Shevardnadze among them. Tengiz Kitovani told PF [POSTFACTUM] that he considers the statement of the NDP leader untimely: If it were not for us, the democratic forces and Chanturia himself would have never gained victory.

Abkhaz Oppositionists Hold News Conference

PM0806153392 Moscow ROSSIYSKAYA GAZETA in Russian 8 Jun 92 First Edition p 3

[Aleksandr Alekseyev report under the "Viewpoint" rubric: "Opposition's Position"]

[Text] The leaders of the opposition to the present leadership of the Supreme Soviet of the Abkhaz Autonomous Soviet Socialist Republic (this is its full name) have held a news conference. They came to Moscow headed by Mr. Naderishvili, first deputy chairman of the Supreme Soviet, to share their opinion on how to emerge from the crisis that has come about.

"The present Supreme Soviet cannot govern Abkhazia, and it must adopt a decision on new, democratic elections and dissolve itself"—this is the chief thesis of Naderishvili and his colleagues, who make up the "Democratic Georgia" official opposition.

In confirmation of their words about the undemocratic nature of the last elections, Naderishvili and his opposition supporters, who, incidentally, have not attended Supreme Soviet sessions for approximately two months now—which makes the necessary quorum unattainable—cite the following data. Abkhaz make up 17 percent of the population of Abkhazia, but under the terms of the elections this nationality was guaranteed 28 seats in parliament. The Georgians, of whom there are 2.5 times as many in the republic, were guaranteed just 26 seats. Russians and other nationalities, who are slightly fewer in number than Abkhaz, were guaranteed just 11 seats. "What is needed is a law on elections not along ethnic lines but on the basis of numbers," Naderishvili maintains.

In the opposition's opinion, in addition to new elections the problems could also be removed by a meeting between Ardzinba, chairman of the Abkhaz Supreme Soviet Presidium, and the chairman of the Georgian State Council, but it has not yet been possible to reach agreement on such a meeting.

Meanwhile, no one is declaring openly that Abkhazia wants to secede from Georgia, but Georgian flags have been torn down in Abkhazia since the spring, and when troops of the Georgian National Guard found themselves near the borders of Abkhazia, both the Abkhaz national guard and troops of the neighboring Chechen Republic were placed on full combat alert.

"The situation is also inflamed by the fact that other republics are interfering in relations between Georgia and Abkhazia, including Chechenya, which has unequivocally displayed a desire to help the present Abkhaz leadership. Targeted propaganda is being mounted against Georgians throughout the North Caucasus not without the participation of Abkhazia. It seems that both Georgia and Russia will soon be convinced that a strong new Muslim, pro-Turkish state is being created in the North Caucasus," Naderishvili assessed recent events in their "international" aspect, so to speak. The situation is uneasy also within Abkhazia itself. "The Supreme Soviet has created its own national guard, which obeys only the Supreme Soviet chairman, who plants in the provinces 'his own people' who are beginning to feel like real 'little tsars' there," the opposition comments on the present situation, which is leading, in its opinion, to an exacerbation of the conflict. The Supreme Soviet will not yet agree to the demand for its self-dissolution; there is as yet no talk of a referendum, and the political struggle is continuing in the republic. It is not yet a bloody struggle, but tension is not diminishing and soon this region could well become a new "hot spot" of nearby foreign parts.

Estonia

Consular Convention Accord Signed With Russia

LD0406153192 Moscow ITAR-TASS in English 1342 GMT 4 Jun 92

[By ETA-TASS]

[Text] Tallinn June 4 TASS—Russian and Estonian delegations initialed the first document during their talks near Tallinn on Thursday [4 June].

Heads of the delegations Vasiliy Svirin and Uno Veering signed a 35-page long consular convention.

The document envisages protection of people asking for consular help, defines the status and obligations of a consul and grants diplomatic immunity to consular workers.

The convention will come into force after it is signed by foreign ministers of both countries.

The delegations continue to work in all directions, excluding the military one, as Estonia did not agree with the Russian proposal to withdraw its troops from the Baltic state in 1994.

Possible Compromise on Troops

LD0406164892 Tallinn Radio Tallinn Network in Estonian 1400 GMT 4 Jun 92

[Text] The next meeting of Estonian and Russian delegations will take place from 30 June to 2 July at Meshcherino, near Moscow. The third round of Estonian-Russian talks ended at Lohusalu today.

After the meeting, Uno Veering, leader of the Estonian delegation and minister of state, told journalists that a prompt withdrawal of troops from Estonia is a precondition for Estonian-Russian good-neighborly relations. Mr. Veering says the Estonian demand that Russian troops withdraw from Estonia by the end of 1992 is justified and technically possible. According to the Estonian delegation leader, compromise agreements may be possible with respect to separate Russian military units.

As you know, the Russian side claims that the troop withdrawal from Estonia may be completed from 1994 to 1997.

Russia Concerned Over Valga 'Seizure'

LD0406163692 Moscow ITAR-TASS World Service in Russian 1520 GMT 4 Jun 92

[By ITAR-TASS correspondent]

[Text] Tallinn, 4 June—The Russian delegation which participated in the third round of talks between Estonia and Russia, which ended today, expressed anxiety about the seizure of an air defense military cantonment in Valga by Estonian border guard units and defense forces.

The Estonian delegation replied by issuing a statement temporarily refusing to conduct talks on issues connected with the time scale and procedures for the withdrawal of the former USSR forces from the territory of the republic. The main reason for this, the statement says, is that the talks are deadlocked because of the unconstructive position of the Russian side.

After stating that "the presence of the Russian troops on Estonian territory is also seriously threatening the security of Europe," the Estonian delegation appealed to the Russian political leadership, other states, and the world community to use their influence to ensure that foreign troops are withdrawn from Estonia quickly.

In this connection, the Russian delegation issued a statement describing as groundless and insulting the charge that Russia is striving to implement a new version of "the spheres of influence policy" in Europe. The notion that the Russian troops stationed in Estonia pose a threat to European security does not need refutation because it is groundless, the delegation stressed.

The Russian delegation also rejected the complaint that senior military pressure on the Russian side is dictating the progress of the talks.

At the end of this round of talks, the heads of the two delegations assured journalists that the negotiations are making progress and reported that the next round of the dialogue will be held in Moscow in a month.

Details on Suspension of Talks

PM0506154192 Moscow IZVESTIYA in Russian 5 Jun 92 Morning Edition p 5

[Report by Gennadiy Charodeyev: "Estonia Suspends Talks on Russian Troop Withdrawal"]

[Text] REUTERS has reported that the open-door talks between Russia and Estonia in Lohusalu (near Tallinn) have been ended at the Estonian side's initiative.

We have learned from reliable diplomatic sources in Tallinn and Moscow that on 4 June the Estonian delegation issued a statement on the question of the Russian troop withdrawal from the country. Its representative stressed that no progress had been made at the talks on this matter. In the Estonian side's opinion, the position of the Russian delegation—essentially that the troop withdrawal could only begin in 1994—is unacceptable. The Estonians stated that the progress of the talks has been dictated by the Russian military. In this situation the Estonian delegation sees no chance of reaching an agreement on troop withdrawal and is suspending talks on this issue.

The statement also says that Estonia reserves the right to appeal to the Russian political leadership, other states, and international organizations.

Talks have been proceeding more productively in the other working groups. In particular, a consular convention has been initialed and agreement reached in the working groups on a customs agreement and a treaty on legal aid.

In the opinion of Russian and Estonian observers, the Estonian side's uncompromising stance on the issue of the foreign military presence is dictated above all by the acute need for the current Estonian authorities to make political capital on the eve of the parliamentary elections to be held this fall.

Defense Council Session Discusses Valga Events

LD2505144492 Moscow Mayak Radio Network in Russian 1400 GMT 25 May 92

[Text] The Defense Council of Estonia today held an emergency session chaired by Ruutel. It is discussing an incident in Valga on the border with Latvia where yesterday Estonian self-defense forces occupied the military settlement of one of the units of the Russian armed forces stationed in the republic. One of the bold self-defense fighters took a submachine gun and went for a walk in town. He ended his walk at the railway station, where he forced his way onto a Petersburg-Riga train passing through Valga. He broke down the door of a compartment and threatened everyone with a gun. An attempt was made to disarm him, and when this failed, the commander of the self-defense battalion had to use a weapon. He was wounded and died on the way to hospital.

No details have yet emerged in the course of the discussion at the Defense Council. All that is known is that the Estonian side has, through official channels, expressed regret over the incident.

Supreme Council Issues Statement

LD2505163192 Tallinn Radio Tallinn Network in Estonian 1400 GMT 25 May 92

[Text] On 23 January 1992, the Republic of Estonia's Supreme Council declared that all ex-Soviet Army buildings, structures, weapons, equipment, and other property located on Estonian territory were the property of the Republic of Estonia. On the basis of this resolution and Estonian Government order 209K of 22 May 1992, an Estonian border guard unit took control of the ex-Soviet Army military townlet in Valga on the morning of 24 May, having previously informed the unit's commander of this. Talks about this military townlet had been taking place for a considerable time already between the border guard department and the ex-Soviet military representatives. As the military unit that had previously been using the townlet no longer had any need of it, representatives of the Russian Army agreed to sell it to the Republic of Estonia for 2.5 million rubles and to vacate it immediately. Buying an installation that actually belongs to the Republic of Estonia from foreign troops is in conflict with the Supreme Council resolution.

As the unlawful and extensive selling of military property, as well as vandalism of this property, is taking place in the Republic of Estonia by the ex-Soviet military, it was necessary to take immediate control of the Valga military installation to prevent this from happening. The takeover took place peacefully, without the use of arms or physical force. Because of his unbalanced behavior, a soldier of the ex-Soviet troops, now in the reserves, was slightly injured. [passage omitted]

At 1320 [on 24 May], Lieutenant General (?Ivanov), commander of the 6th Air-Defense Corps stationed in St. Petersburg, sent a telegram to the Estonian Government in which he termed the event a crude infringement of both Russian sovereignty and the status of Russian troops stationed in the Republic of Estonia. He demanded that the townlet be immediately vacated and the culprits punished and said that if his demands are not met any measures, including force, would be implemented. At the same time, several groups of armed soldiers had gathered near Valga. During the talks held with military representatives, an agreement was reached that the Army will not use force and that the issue will be resolved through talks.

The government of the Republic of Estonia states once again that there is no legal basis for foreign troops to remain in the Republic of Estonia. All installations and property that have been used by the Russian Army belong to the Republic of Estonia, and any buying or selling of these are illegal without the permission of the Estonian Government. The Estonian Government believes it necessary that the troops that are withdrawing hand over the installations at their disposal in good and usable condition to the appropriate bodies in the Republic of Estonia.

Foreign Minister Leaves Finland After Talks

LD0206131792 Moscow ITAR-TASS World Service in Russian 1003 GMT 2 Jun 92

[By ITAR-TASS correspondent Arkadiy Prisyazhnyy]

[Text] Helsinki, 2 Jun—Estonian Foreign Minister Jaan Manitski ended his visit to Finland today, following his negotiations with Finnish Defense Ministry leaders.

During his meeting with Major General Pertti Nykanen, head of the Defense Ministry's military affairs administration, Manitski expounded Estonia's well-known position regarding troops under Russian jurisdiction which are stationed in Estonia. The talks also covered issues related to Finland's provision of material and other assistance to the Estonian defense forces. For instance, the Finnish side expressed its readiness to admit future Estonian officers into its military training establishments and to extend assistance in organizing border defenses. In particular, Finland will hand over to Estonia some of its patrol ships.

At an earlier stage of his two-day visit, the Estonian foreign minister met with Finnish President Mauno

Koivisto, Foreign Minister Paavo Vayrynen, members of parliament, and business representatives. Their discussions centered on the development of bilateral trade, economic, and cultural relations, visa regulations, and aid to Estonia. The issue of Russian troops stationed in Estonia and Estonia's plans to introduce its own currency were also discussed.

Jaan Manitski left for Tallinn today.

Central Bank Offered Agreement on Kroon

OW0506160392 Moscow BALTFAX in English 1441 GMT 5 Jun 92

[Transmitted via KYODO]

[Text] A draft agreement of a program of settling with nations in the ruble zone after the Estonian Krona [kroon] is put into circulation will be submitted for review at a meeting of the leaders of the central banks of the former republics of the Soviet Union. The meeting opens in Lokhusalu, a suburb of Tallinn, Friday [5 June].

In an interview with "BF" [BALTFAX] the author of the draft, President of the Bank of Estonia Galina Litvinova said she hopes the majority of those at the meeting will sign the agreement. Litvinova did not rule out the possibility that additional talks will be held with certain countries, Russia in particular. She said Tallinn prepared a draft agreement on the responsibilities of both sides in connection with the introduction of the Estonian krona for the third round of Russian Estonian talks held June 2-4. However, the representative of the Central Bank of Russia did not attend the talks and the discussion of this matter will continue in Moscow June 11 or 12.

For various reasons representatives from Azerbaijan and Tajikistan did not participate in the Lokhsalu meeting.

Monetary Reform Committee Issues Statement

LD1405061192 Tallinn Estonian Television Network in Estonian 1800 GMT 7 May 92

[Text] According to ETA, the government's press service has been disseminating an official statement of the Republic of Estonia's Monetary Reform Committee today. It states the following: The Republic of Estonia's Monetary Reform Committee considers it the committee's duty to announce to private individuals of other states on the territory of the republic that after the 1992 monetary reform only the Estonian kroon will be in circulation on the territory of the Republic of Estonia. There will be no exchange carried out of any nonconvertible currency for the Estonian kroon.

Latvia

Mironov Protests Military Site Takeover

LD2205091692 Riga Radio Riga Network in Latvian 1730 GMT 20 May 92

[Text] This afternoon Valeriy Mironov, Northwest Group of Forces commander in chief, was received by the chairman of the Supreme Council of the Republic of Latvia, Anatolijs Gorbunovs, at Mironov's request. In the name of the Russian Federation, Mironov presented a protest at what was called Latvia's unilateral action in taking over the military site at Ciekurkalns in Riga, on the fourth transverse line [ceturtaja skerslinija]. Mironov made it known that the Military Council of the Northwestern Group of Forces has adopted a resolution which provides for the defense of Russian interests, its soldiers, and their family members.

The chairman of the Supreme Council of the Republic of Latvia, Anatolijs Gorbunovs, expressed regret that no agreement has been reached with Russia on the schedule and deadline for the troop withdrawal or on handing back the military sites. Anatolijs Gorbunovs called for forming a bilateral commission which could examine the handing over of military sites to the Republic of Latvia until a relevant interstate treaty is signed.

Protest Over Russian Army Presence Reported

LD2205153892 Moscow POSTFACTUM in English 1328 GMT 21 May 92

[From the "Miltary News" section]

[Text] Riga—The commander of the North-Western Group of Forces said that the situation regarding the temporary stay of Russian troops in Latvia is being deliberately complicated by the Latvian side and may become extremely dangerous. This was said in a note of protest over incidents involving Russian servicemen stationed in Latvia. General-Colonel, Valeriy Mironov, commander of the North-Western Group of Forces, presented the note to Anatolis Gorbunovs, president of the Latvian parliament, during a meeting on May 20. At the press centre of the North-Western Group of Forces, PF [POSTFACTUM] learned that Mironov's meeting with the head of the Latvian parliament did not achieve positive results.

The note of protest says that a number of dangerous incidents involving Latvian militarized units and Russian soldiers took place on Latvian territory recently. As examples, the document cites the May 13 incident with servicemen of the Baltic frontier district in which Private N. Pylayev was wounded, a raid on May 16 on the radio post of the Baltic Fleet, the seizure on May 19 of the Army cantonment in Riga by security forces and Latvian Home Guards which are directly subordinate to the Latvian parliament. Deputies of the Latvian parliament were present during the seizure and participated in it. The note says that the Latvian side began all these

incidents. The analysis of the events and composition of persons involved indicates that these actions were taken with the connivance of Latvian leaders, if not actually on their orders. The facts of infringement of the rights of Russian servicemen had taken place earlier. What is more, the Russian Army is blamed for all ills, even for the reduction of the birthrate in the republic, the note says. General-Colonel Valeriy Mironov said that these actions are being perpetrated by the Latvian side at a time when intergovernmental talks between Russia and Latvia have not yet been concluded. In this connection, the commander of the North-West Group of Forces made a decisive protest, and asked the president of the Latvian parliament.

To assess these facts and take measures for their investigation, and also to issue an order for the freeing of the army cantonment in Riga by Latvian security forces and home guards. At the same time, the note declares that the military council of the North-Western Group of Forces decided to put a stop to actions infringing the interests of the Russian Federation, its servicemen, and their dependents.

Igor Golin, head of the press centre of the North-Western Group of Forces, told PF on May 20 that in order to prevent such incidents the council of the group of forces decided that resolute action, not stopping at the use of arms, should be taken. According to the press centre, the actions mentioned in the note of protest were taken by the Latvian side to prove the effectiveness of Latvian armed units and that deputies of the Latvian parliament, Yuris Dobelis and Odisei Kostanda, participated in one such action. According to unofficial information, the lodging of the note of protest was approved by Russian ambassador, Aleksandr Rannikh, who arrived in Riga on May 18.

Gorbunovs, Mironov Set Up Commission

LD2205214692 Riga Radio Riga International in English 2030 GMT 22 May 92

[Text] Latvian Supreme Council Chairman, Anatolijs Gorbunovs, and Commander of the North-Western Army Group, Colonel General Valeriy Mironov, have agreed to set up a bilateral commission which will try to settle all disputes concerning the transfer of former Soviet facilities here to Latvian jurisdiction, following angry reaction from the High Command of Russian troops stationed in Latvia over the so-called unsanctioned takeover of an Army facility by the latter on Tuesday [19 June]. Latvia is to appoint its members to the commission shortly.

Mironov handed in a note of protest to the leader of Latvia's parliament yesterday, denouncing the arbitrary action by Latvian security forces earlier this week.

After the meeting with Mironov, President Gorbunovs acknowledged that relations between Latvia and the Russian Army Command had become very strained lately due to the lack of agreements which would regulate the hand over of Army property.

Regarding the Russian Army facility takeover, Mironov told a news conference that as from now he will regard such instances as a threat to every serviceman, his family and to Russia. He threatened to retaliate in accordance with the laws and Army regulations, and he said he believed that the Latvian Government [word indistinct] did not fully realize the Army could strike back. In a statement to the press the Army group did not exclude the use of arms if provoked. Gen. Mironov also claimed he had not received any assurances that such instances would not reoccur. He said there was a certain lack of understanding in Latvia about what constitutes movable and immovable property, emphasizing the issue should be tackled through bilateral negotiations. Mironov pointed out that a number of buildings belonging to the Army had already been handed over to the Latvian authorities. Following the recent incident, the further transfer of Army property under Latvian jurisdiction is out of the question.

Protocol Signed on Withdrawal

LD3105095592 Riga Radio Riga Network in Latvian 1300 GMT 29 May 92

[Excerpts] We have already reported that yesterday at the talks between Latvia and Russia in Moscow, a protocol was signed on the withdrawal of the army from our state. Today at a news conference the head of the Latvian delegation, Minister of State Janis Dinevics, said:

[Begin Dinevics recording] Although we did not succeed in achieving a certain movement forward in the most important question to Latvia, that is in the withdrawal of the army, at least new nuances have appeared there. For the first time Russia concretely indicated what kind of a final date they foresaw. They said they would complete the withdrawal by 1999, correspondingly dividing it to a certain extent into three stages.

By all means such a solution is not acceptable to the Latvian side. We remained with our previous proposal that all must be withdrawn by September 1993 and from Riga in 1992.

The Russian side promised in the nearest future to submit a full schedule of the withdrawal from their viewpoint because at present only these final dates have been named. We want to know in what manner they are planning, what kind of units of troops according to years—that is, a calendar plan—how many persons in which units, and so on. The Russian side announces that it is not possible to withdraw quicker due to technical reasons, taking into account the railroad penetrability.

Our reply, which was also heard at the news conference, was that the Latvian side for the time being has not submitted a proposal on helping with transportation. We want to see this calendar plan, the freight volumes, etc. and only then could there be talk about some kind of a coordinated standpoint; that is, if this plan would be submitted, then in such an event our experts will work on it, although Russia promised that it will submit it

within 10 days, and after that perhaps also meetings of groups of experts will take place. [passage omitted]

Another very much unsolved question in this army block is our different viewpoints regarding property matters. So then, as it is in conformity with the resolution of the Supreme Council of the Republic of Latvia, we consider that all this immovable property belongs to Latvia. Russia at the same time announces that it is Russia's, (?they say) that it is the property in use at present by the army.

Without delving into juridical finesses and nuances, it is not clear to the Latvian side if Russia was able to proclaim—I am talking here about civil facilities—that all the former USSR property which is in its territory belongs to it. In such an event Latvia is allowed to do the same, and with regard to these civil facilities there are no differences of opinion. But the question about military facilities and factories reveals differences of opinion. It is not clear to me whether the former USSR Ministry of Defense is not the same kind of a common property as are those civil facilities. Why such a division with regard to those facilities, and why such a different treatment of the conception of this property exists in this sphere of army property?

In the course of the discussions I was amazed by yet another aspect. Until now it was made known that the biggest problems were with the social provision, let us say, with apartments for those officers who would be leaving Latvia. When the Russian side said the year 1999, I asked quite a specific question: If the Latvian side, by receiving international assistance, the means, within two years builds the necessary number of apartments, is Russia prepared to take its troops from Latvia? Mr. Semenov, the commander of the land forces, replied yes. Mr. Zotov interrupted him, and said: Wait!

You see, it appears to me that apart from these social problems Russia connects the army withdrawal with other things. They talk about as if it were in the national security interests. There is something I do not understand here: Why such facilities as harbors in Latvia, specifically in Liepaja, are proclaimed strategic objects which concern national interests? Likewise, I do not understand why the reconnaissance center near Ventspils, which may put Latvia in an awkward situation when making contact with other states, should be accepted by Latvia as a strategic interest of Russia. The third facility, the strategic interests, is the facility of Skrunda. [end recording]

Government 'Not Satisfied'

LD3105235992 Moscow Mayak Radio Network in Russian 1213 GMT 31 May 92

[Text] Withdrawal of former Soviet troops from Latvia will take place in 1999. The date for the troop withdrawal from Latvian territory was given by the head of the Russian delegation at the latest round of talks between Russia and Latvia, which ended on Thursday [28 May]. The Latvian side is not satisfied with this. The next stage of talks on the withdrawal of the Russian troops from Estonia will take place on 2 to 4 June near Tallinn. The Estonian Ministry of Foreign Affairs has anounced that if the final date for the troop withdrawal is not set by the beginning of the CSCE's July session in Helsinki, the Estonian Republic will refuse to sign the final Helsinki-2 final act. The announcement also says that the work by the group of the experts on drawing up the new border between Estonia and Russia has reached a dead end because the Russian participants in the meeting do not have the necessary powers.

Government Seeks Yakutia Support

LD0506111192 Moscow POSTFACTUM in English 1815 GMT 4 Jun 92

[From the "Politics" section]

[Text] Riga—The chairman of the Latvian Republic Supreme Soviet Anatoliy Gorbunov requested the President of Sakha [Yakutia] Republic Mikhail Nikolayev to support Latvia as regards the withdrawal of the Russian Army. On June 3, in the course of his meeting with the chairman of the Latvian Republic Supreme Soviet, the President of Sakha Republic Mikhail Nikolayev stated that Yakutia was prepared to sign a bilateral economic agreement with Latvia. The parties stated their intention to conduct mutual settlements at world prices. In exchange for Latvian-made furniture, radio sets, building materials and Raf mini-buses, Yakutia plans to supply Latvia with gold, diamonds, etc. The visit of Mikhail Nikolayev to Riga will be ended 5 June.

New Recruits To Dock in Liepaja

LD0706192892 Riga Radio Riga International in Latvian 0430 GMT 5 Jun 92

[Text] People in the Liepaja area and the border guards of Latvia are alarmed at the news that a BDK-47 landing vessel with 170 recruits on board is getting ready to dock in Liepaja harbor. The plan is to supplement the Army communications school with 100 people and to put 70 more on Navy vessels. The harbor traffic service operator informed the crew of the vessel that they do not have permission to allow the vessel into the harbor and that all questions must be dealt with by the Latvian Government.

Tilgass, counsellor of the minister of state of the Republic of Latvia, commented on the situation by noting that there would be no submission to the Army. Minister of State Dinevics himself promised at the interstate talks with Russia that no additional soldiers would be allowed into Latvia.

Eduards Raits, captain of Liepaja harbor, has expressed the suspicion that the Russian Army is reinforced with recruits by sea because they know that the roads will be more or less blocked.

New Russian Recruits Arrive 4 Jun

OW0606181992 Moscow BALTFAX in English 1556 GMT 6 Jun 92

[Transmitted via KYODO]

[Text] Latvian sources say Russian ships with new recruits arrived in the Riga port June 4. The recruits replenished Russian forces stationed in the Baltic republic.

The Director of the Naval Forces of the Latvian Defense Ministry Gaidis Zeibots said in an interview with the Riga newspaper "Diena" that the number of servicemen illegally brought in was not known.

Government, Russia Agree To Control Overflights

OW0606181892 Moscow BALTFAX in English 1556 GMT 6 Jun 92

[Transmitted via KYODO]

[Text] The Latvian Defense Ministry and the department of aviation of the Transportation Ministry and the leadership of the air force of the Russian North-West Group of Forces agreed to observe the sovereignty of Latvian air space in military flights. The official agreement has not yet been signed.

As BF [BALTFAX] reported earlier, the Latvian Defense Ministry issued an order stating that every flight by Russian military planes over the republic's territory must be approved by the Latvian Defense Ministry.

Lithuania

Landsbergis Previews Upcoming Yeltsin Meeting

LD0506125392 Moscow ITAR-TASS in English 1111 GMT 5 Jun 92

[By ITAR-TASS correspondent Kazys Uscila]

[Text] Vilnius June 5 TASS—Lithuanian Parliamentary Speaker Vytautas Landsbergis will meet with Russian President Boris Yeltsin on Friday [5 June] to discuss the withdrawal of Russian troops from Lithuania.

This will be their second meeting since January when the two leaders agreed to begin the withdrawal in February.

At a briefing in Vilnius, Landsbergis announced his statement "On the Preparation for Negotiations of the Delegations of Russia and Lithuania," where he stressed that "the Russian delegation refuses to continue talks on the withdrawal of troops from the territory of Lithuania and is trying to distort the position of the Lithuanian delegation in the eyes of the general public."

He said that since the spring of 1990 Lithuania's attempts to begin constructive talks "have been running against the lack of powers of the Soviet delegation and its reluctance to discuss the major issue".

Landsbergis expressed hope that "the Russian delegation will stop thwarting the talks on the major problem of Lithuania, international security and bilateral relations."

Troop Withdrawal To Be Discussed

OW0506155592 Moscow BALTFAX in English 1440 GMT 5 Jun 92

[Transmitted via KYODO]

[Text] The Chairman of the Lithuanian Supreme Council Vytautas Landsbergis said that Russia practically refuses to negotiate with Lithuania on the withdrawal of forces from the republic.

The statement was distributed Thursday [4 June] by the press service of the Lithuanian Parliament. At the same time the Lithuanian leader still hopes that "the Russian delegation will stop blocking decisions to Lithuania's main problem".

As BF [BALTFAX] reported earlier, there will be "an unofficial working" meeting between Landsbergis and Yeltsin Friday [5 June].

Observers say the subject of the meeting will be the withdrawal of forces from Lithuania.

Landsbergis Expresses 'Satisfaction'

OW0506190192 Moscow BALTFAX in English 1826 GMT 5 Jun 92

[Transmitted via KYODO]

[Text] Head of the Lithuanian Parliament Vytautas Landsbergis expressed satisfaction with results of talks with Russian President Boris Yeltin. "It was a very good, friendly and concrete meeting", he told reporters after the talks in the Kremlin Friday evening [5 June]. "It is always easy for me to deal with Boris Yeltsin as a partner and as a man", he added.

In his words, the two sides made "simple decisions of principle". In the sphere of economy they agreed on oil supplies to Lithuania for the second half of 1992. The also made progress on the problem of mutual settling which hampered bilateral trade turnover. An agreement was reached on guarantees for Lithuanian citizens' deposits in the former USSR Vnesheconombank. Russia will compensate these deposits starting from July, Landsbergis said.

As for the withdrawal of Russian troops from Lithuania, Boris Yeltsin noted that "discussion of this issue was dynamic". Yeltsin promised to order corresponding bodies to set a schedule for the withdrawal and strictly observe it.

Landsbergis expressed regret at the lack of progress in this issue after the January meeting of the two countries' leaders. Perhaps, he supposed, " we had too little personal contacts". That is why the Russian and Lithuanian leaders agreed to maintain closer relations in the future.

Landsbergis added that "Yeltsin wants cooperation and seeks to resolve the most difficult issues".

Landsbergis said that the question of ethnic Russians' rights was not raised at the latest talks deliberately. He believes that this problem was resolved "in the best way" after Lithuania and Russsia signed an intergovernment treaty in July of last year.

Landsbergis Holds News Conference

LD0606143692 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 6 Jun 92

[Excerpts] The conversation was very friendly, businesslike, and specific. The discussion included economic matters, raw material and goods supplies, relations among the various enterprises, and financial accounting. A great deal of the discussion also revolved around the withdrawal of the army under Russian jurisdiction from Lithuania's territory, stated Vytautas Landsbergis at an impromptu news conference following yesterday's meeting with Russian President Boris Yeltsin in Moscow.

At that news conference, only a few minutes were devoted to answering journalists' questions. Today a news conference at the Supreme Council of the Republic of Lithuania was especially dedicated to discussing the meeting's results. Correspondent Vitas Usas participated:

[Usas] Although yesterday's meeting with the president of the Russian Federation and [words indistinct] dominated the news conference held by Landsbergis, journalists were interested in Lithuanian political life in today's world.

In answer to a question on how the parliament's [word indistinct] small majority reacted to [word indistinct] by the Sajudis Coalition for a Democratic Lithuania to hold a joint Supreme Council plenary session this Monday [8 June], Landsbergis replied that this session should take place. It will included a discussion about the referendum projected for 14 June concerning the withdrawal this year of the former Soviet Army from Lithuanian territory. There are some proposals to postpone this referendum since there are doubts whether appropriate preparations will have been made. The greatest problem revolves around compilation of accurate voter lists, since, he pointed out, that in the previous referendum individuals who did not have Lithuanian citizenship had also been included on the lists.

In describing the problem he discussed with Boris Yeltsin concerning the withdrawal of the former Soviet Army from the territory of Lithuania, Landsbergis stated:

[Begin Landsbergis recording] First we discussed the principle that this pullout must commence and that it must have an initial date. This was proposed by President Yeltsin as a matter of greater importance than the establishment of a final date [word indistinct]. I consider this useful. It is a principle that can assist in moving both the negotiations and the withdrawal process from the [word indistinct] point.

I emphasized that it is not just in our earlier agreements that we said that the withdrawal must begin with the 107th Division stationed in Vilnius, the composition of which is incomplete and for which Russia is not preparing to reinforce the units. The [words indistinct] of these units would not be an (?official) problem. Discussion also involved the threat of the introduction of additional units and the existence of such plans. President Yeltsin stated that a decision has been made that such military units, [words indistinct] or in the Baltics, I could emphasize this [word indistinct] very accurately that new contingents will not be brought in. [end recording]

The Lithuanian Supreme Council chairman stated that financial questions were also discussed with the Russian President. Russia owes Lithuania more than currently owed by our enterprises for food production supplied, mostly meat and dairy products. Russia has not paid 2 billion rubles. Boris Yeltsin has promised to help regulate this matter.

It was also agreed that following the bankruptcy of the Vnesheconombank, Russia assumes responsibility for the fate of the $7 million deposited there by Lithuanian citizens and enterprises. It was promised to start returing the deposits as of this July. I am satisfied about the meeting with Boris Yeltsin, its contents, specifics, and agreements, noted Landsbergis.

Yeltsin: Army To Follow Local Laws

LD0606220892 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 6 Jun 92

[Excerpt] [passage omitted] In the course of the meeting with Boris Yeltsin, there were also discussions about the status and actions of the army temporarily stationed on Lithuanian territory.

Speaking over Lithuanian Radio's Russian language broadcast, Vytautas Landsbergis noted that in the course of the meeting it was confirmed that the Russian Army must submit to Lithuanian laws and order. Any kind of confrontations are impermissible. The parliament leader hopes that with Yeltsin's assistance order will be established.

Details of Troop Withdrawal Referendum

PM0906092692 Moscow IZVESTIYA in Russian 8 Jun 92 Morning Edition p 1

[Report by Nikolay Lashkevich: "B. Yeltsin and V. Landsbergis Come Out in Favor of More Dynamic Process of Troop Withdrawal"]

[Text] The day after his brief working visit to Moscow, V. Landsbergis met with Lithuanian and foreign journalists in the Supreme Council and spoke about the main results of his talk with Russian President B. Yeltsin.

As expected, the main topic at the meeting was the problem of the withdrawal of Russian troops from Lithuania. Before the 14 June referendum on the troop

withdrawal, the head of the Lithuanian parliament decided to clarify the Russian leader's view on this problem and in light of his position, apparently, to decide the fate of the referendum. It is quite possible that the widely propagandized referendum might not take place. At all events, this question is on the agenda for Monday's [8 June] extraordinary plenary session of the Supreme Council, when the full parliament will meet for the first time after a month's boycott of sessions by the right-wing minority. For the moment, V. Landsbergis stated that preparations for the referendum will proceed according to plan, but an exchange of opinions at the session on Monday will make it possible finally to clarify its fate.

In general the Lithuanian leader assessed the results of the bilateral meeting positively. Answering a question from IZVESTIYA's correspondent on the possibility of talks on the military question—currently exceptionally disorganized and spontaneous—being held on a permanent footing, V. Landsbergis stressed the importance of dynamism in the negotiating process, which, he said, B. Yeltsin also drew attention to. He intends to galvanize this process to make the talks and the withdrawal of troops dynamic and real, V. Landsbergis said. As for specific timetables for the withdrawal, the head of the Lithuanian parliament noted the Russian president's agreement in principle that the actual withdrawal of troops should begin and have a schedule. V. Landsbergis agrees with B. Yeltsin's view that the actual start of the troop withdrawal takes priority over the final time table for that process. According to V. Landsbergis, Russia will not try to send new contingents of troops into Lithuania—and that is probably the most concrete accord on the military problem.

Dniester Transmitter Seized by 'Separatists'

LD0906122392 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 8 Jun 92

[Text] Esteemed listeners, according to your reports the best reception of Vilnius Radio is gained on the 15485 kHz frequency. Broadcasts on this frequency are made from a transmitter situated in Moldova in the town of Grigoriopol.

We were informed today that this transmitter has been seized by Dniestr region seperatists. From today it is no longer under the control of the Moldova authorities. Therefore, this transmitter may cease broadcasting at any time. We ask you to inform us as soon as possible about reception on the 15485 kHz frequency and to listen to our broadcasts on two other frequencies—13645 and 15580 kHz—even if they are not well received.

Border Guards Attempt To Control Polish Border

LD0806183992 Moscow POSTFACTUM in English 1731 GMT 8 Jun 92

[From the "Military News" section]

[Text] Vilnius—On June 7, Lithuanian frontier guards attempted to take under guard a part of the republican border with Poland. A group of approximately 30 armed Lithuanians, headed by the minister of state protection, arrived to a frontier post of the Kaliningrad frontier guard detachment, where the minister demanded that his men be quartered in the military camp and that the portion of the border be transferred to their protection. PF [POSTFACTUM] was later told at the press center of the CIS frontier troops that, after the demand was rejected, the minister spoke over the phone with Lieutenant General Valentin Gaponenko, commander of the Baltic Frontier Guard District. As a result of the conversation, it was decided to quarter Lithuanian border guards in tents to the rear of the border signalling system.

Home Guard Assumes Border Control

OW0906155192 Moscow BALTFAX in English 1306 GMT 9 Jun 92

[Transmitted via KYODO]

[Text] Lithuania's Home Guard detachments have assumed control over the republic's state border with Poland (104 km).

The BALTFAX correspondent reports from Vilnius that the CIS border guards are involved only in monitoring the border's signalization system, whereas its round-the-clock patrolling is effected by the Home Guardsmen.

'Unofficial' PLO Delegation Visits Vilnius

LD0706214192 Vilnius Radio Vilnius Network in Lithuanian 1800 GMT 7 Jun 92

[Summary] An unofficial PLO delegation paid a visit to Vilnius this week. Correspondent Vincenta Dapkiene talked to Zuhayr al-Wazir, representative of the PLO Information Department in Helsinki, who said that the PLO has established relations with many countries of the world. Mr. Zuhayr al-Wazir said that the PLO wants to establish closer contacts with all the Baltic states, saying that Lithuania should not have contacts with just one side, i.e. Israel, while knowing nothing about the other side, Palestine; especially since Palestine is in a sense closer to Lithuania in that both of them have foreign troops on their territory. The PLO representative said that the PLO delegation will meet with parliamentary foreign affairs commission members and officials from the Foreign Affairs Ministry. Mr. Zuhayr al-Wazir said that the PLO Central Council is planning to set up its embassies in the Baltic states this year.

Supreme Council Holds Extraordinary Session

Landsbergis Urges Reaching Accord

LD0506193292 Vilnius Radio Vilnius Network in Lithuanian 1300 GMT 5 Jun 92

[Remarks by Supreme Council Chairman Vytautas Landsbergis on 5 June in Vilnius—live or recorded]

[Excerpts] [passage omitted] We have agreed that next Monday, 8 June, we will hold an extraordinary sitting of the Supreme Council on the most important issues at present. We propose to adopt a joint legal act of all parliamentarians, of all factions and parties, which will assert and consolidate the fact that Lithuania will never, no matter what kind of government it has, join any eastern commonwealths or new post-Soviet Unions because people are afraid of it and because all who have believed or believe in Lithuania's independence are concerned about it. There cannot be disagreement here.

If on Monday we adopt a joint act, it will be more peaceful in Lithuania. Maybe on Monday we will agree on the elections to the Supreme Council. It is essential to agree on the time, maybe on the fixed date, on the method of the elections, and some circumstances in which these elections should be prepared. But it is essential to view them now. This will stabilize the situation. It will be clear how we live, what period of time, where we go, and how we do things until the elections solve the issue of the government's work, the composition of the Government, and the possibilities of Government work—whether it will have the support of Parliament, and whether it will be able to act.

After the elections new deputies will form the government. There will be yet another issue to discuss: the referendum on the withdrawal of the army. [passage omitted]

A strange campaign has begun, especially in the countryside: explanations that this referendum is essential to Landsbergis, not to Lithuania but to some single person or some single group, to some policy of a single person. There was a such campaign even when we were going to vote for independence on 9 February. In some Northern parts of Lithuania there were fewer votes for independence or people were voting against independence because they were misled. They were told that it was Landsbergis' referendum. Currently such voices can be heard once again.

It is difficult for me to understand this. I could say: God forgive them because they do not know what they do. Maybe somebody knows? Such explanations as: If you like it, vote for it; but if you do not like Landsbergis because he is [word indistinct] or because he is not a graduate of the Agricultural Academy, then vote against it. [passage omitted]

But let us think which is our most important and basic path. We may choose to take smaller or bigger steps along this path, be very bold or cautious, but there is only one path. [passage omitted]

Vagnorius Submits Resignation

LD0906145992

[Editorial Report] Vilnius Radio Vilnius Network in Lithuanian at 1245 GMT on 9 June carries a live relay of proceedings on the second day of the extraordinary session of the Lithuanian Parliament, at which the session chairman announces the results of voting on the resignation statement by Prime Minister Gediminas Vagnorius.

He says: "There were 74 secret ballot papers distributed, and after the ballot box was opened, 74 ballot papers were found: 59 agreed, 12 disagreed, and three were void."

The chairman goes on to explain the procedure which now comes into effect: "Because this was a vote announced in advance and because all the questions discussed during extraordinary sessions and all such ballots are regarded as announced in advance, this means that the voting is deemed to be valid, although there was no quorum—namely there were not 86 deputies present. The voting was valid, but in the event of a ballot announced in advance with fewer than two-thirds of deputies taking part—in this case 74 deputies, which is not a quorum—to achieve a certain result it is necessary for 65 deputies to vote in favor."

Since only 59 deputies voted in favor of the prime minister's resignation, the chairman says: "The prime minister's resignation has not been accepted."

Then he explains that according to Supreme Council regulations, the results of the vote must now be confirmed by deputies voting in the usual way.

This ruling is followed by some heated discussion as some deputies demand that the secret ballot be repeated. The Sajudis Concord faction asks for an adjournment and the relay is discontinued.

At 1428 GMT the relay resumes. Some deputies accuse right-wing members of boycotting the vote, as only 74 of a possible 101 deputies participated.

At 1445 GMT the session decides to take an open vote of the 102 deputies present to confirm the results of the secret ballot on the prime minister's resignation. The session chairman announces that 46 deputies have voted in favor of confirming the results of the secret ballot, 44 voted against it, and five abstained.

At 1515 GMT it is apparent that the open voting is being repeated with 107 deputies present. The results are: 51 deputies are in favor of accepting the resignation of Premier Vagnorius, 46 are against it, and five abstain. Since only 51 deputies voted for accepting the resignation and 54 votes were needed, the resignation of the premier is not accepted.

Supreme Council Chairman Vytautas Landsbergis then speaks briefly at the conclusion of the session. He notes that meetings will be held among faction representatives and perhaps also among representatives of other groups to discuss what future prospects the Lithuanian Republic Government will have during the period prior to Sejm or Supreme Council elections. Landsbergis voices the hope that agreement can be reached to arrive at future positive resolutions.

Landsbergis notes that the position of the prime minister is not easy. He urges everyone to take a positive attitude.

The session ends at 1518 GMT.

MPs Agree on Non-Alignment With East

OW0906123092 Moscow INTERFAX in English 1114 GMT 9 Jun 92

[Report by Igor Porshnev and others from "Diplomatic Panorama"; transmitted via KYODO]

[Text] On Monday [8 June], 109 Lithuanian MPs [members of parliament] (with one abstention) voted for the adoption of the Constitutional Act on the Lithuanian Republic's Non-Alignment with the Eastern Unions.

The document says, among other things, that Lithuania cannot be involved in political, military, economic or other alliances set up on the basis of the former Soviet Union, BALTFAX reports.

Observers note that Lithuania does not intend to isolate itself from the eastern neighbors. Judging by all accounts, Vilnius is ready to cooperate with Russia and other CIS republics on a mutually advantageous basis on the condition that this cooperation should be bilateral. This intention is reflected in the newly-adopted constitutional act.

'Political Row' Reported at Session

LD0906142492 Moscow ITAR-TASS in English 1126 GMT 9 Jun 92

[By ITAR-TASS correspondent Kazys Uscila]

[Text] Vilnius June 9 TASS—A political row today disrupted the opening of plenary session of the Lithuanian parliament. Bronislovas Genzialis charged Vytautas Landsbergis, chairman of the parliament, with masterminding acts of political provocation and initiating telephone threats to parliament members and members of their families.

Landsbergis reacted very strongly by declaring that the charges were mere slander and demanding the parliamentary faction of the Lithuanian Democratic Labour Party to dissociate itself from its member Bronislovas Genzialis. Party chairman Algirdas Brazauskas denounced attempts to bank on "emotions" and "ill-considered pronouncements".

Landsbergis, who took Brazauskas' speech to mean that the party sided with Genzialis, said he could not remain in the hall and walked out followed by parliament members representing right-wing political forces.

Today's agenda provided for the continuation of the debate about the elections to the Sejm, Lithuania's new parliament, the item that was discussed at the parliament's extraordinary plenary session on Monday [8 June], and included Prime Minister Gediminas Vagnorius' statement of his resignation.

At this moment, factions continue discussions and it is not immediately known whether the plenary session will resume.

Election Schedule Set Up

OW0906131792 Moscow BALTFAX in English 1306 GMT 9 Jun 92

[Transmitted via KYODO]

[Text] On Tuesday [9 June], the Lithuanian parliament (Sejm) announced its decision to hold new parliamentary elections at the end of September and the beginning of October, 1992. By this time, the parliament will adopt a new law on parliamentary elections based on a mixed (proportional-majority) system, or amend the old one.

On the election day, the Sejm will receive a draft constitution of the Republic of Lithuania. If the draft is not prepared, the ballot papers will have alternative articles of the current constitution.

The parliament's consiliatory commision, formed up on the faction basis, has been instructed to draft a new election law before June 16, and, before June 23, the basic provisions of the constitution. Before June 30, the parliament is to adopt a new election law, or to ament the current one.

Earlier, representatives of the parliamentary factions held consultations. The chairman of the Lithuanian parliament told BF [BALTFAX] that during the consultations better understanding was reached on the question of new parliamentary elections." [no opening quotation marks as received]

Landsbergis Signs Decree on Housing for Officers

OW0806133692 Moscow BALTFAX in English 1303 GMT 8 Jun 92

[Transmitted via KYODO]

[Text] The speaker of the Lithuanian parliament, Vytautas Landsbergis, signed a decree Sunday [7 June] advising the republic's Council of Ministers and the Home Guard Ministry to conduct survey of the officers stationed in Lithuania in order to find out their requirements in terms of accommodations.

Based on Russia's assertions, absence of accommodations for the officers in the areas of their new appointments presents one of the major obstacles for their timely withdrawal from Lithuania.

In his Sunday address over the national television, Mr Landsbergis remarked that "such information could further the setting up of an international re-settlement fund".

In their statements earlier this year, the Lithuanian leaders asserted that certain European countries had showed their preparedness to allocate funds for housing

construction purposes in order to provide accommodations to the officers withdrawn from Lithuania.

Electoral Commission Issues 1 Jun Statement

LD0706161592 Vilnius Radio Vilnius Network in Lithuanian 1800 GMT 5 Jun 92

[Text] At a 1 June meeting, the Lithuanian Republic Electoral Commission adopted a statement regarding certain shortcomings in the course of the 23 May referendum on restoring the Lithuanian Presidency Institution. The commission notes that the referendum held on 23 May on restoring the Lithuanian Republic Presidency Institution has taken place. Over 59 percent of the Lithuanian Republic citizens participated in the vote. In 50 of the Republic's cities and rayons there were no gross violations of the referendum law, and no complaints have been received.

However, such violations did occur in large cities of the Lithuanian Republic—Vilnius, Kaunas, and Klaipeda referendum districts. Commissions in these cities failed to sufficiently coordinate and control the work of the regional referendum commissions' work. Moreover, it was the fault of the city municipal governments that in certain areas the voter lists had not been examined and verified with sufficient care. However, all these violations did not decisively influence the voting results.

The Republic Electoral Commission also discussed the demands raised in the statement of the deputies of the Sajudis coalition for a democratic Lithuania. At the meeting, the Lithuanian Republic Electoral Commission adopted a resolution concerning the determination of results of the Lithuanian Republic referendum on restoring the Lithuanian Republic Presidential Institution. Upon the basis of rayon, city, and district referendum commission protocols, it has established the number of Lithuanian Republic citizens having the right to participate in the referendum—2,578,372; 1,525,534 received ballots; 1,522,264 voted; 1,056,898 voted for; 395,162 voted against; 75,204 were judged void.

The final referendum results have been submitted to the Lithuanian Supreme Council.